

THE NATIONAL ASSEMBLY FOR WALES: AUDIT COMMITTEE

**REPORT 00-07 - Presented to the National Assembly on 1st December in accordance
with section 102(1) of the Government of Wales Act 1998**

COLEG GWENT

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INTRODUCTION

1. This report is about Coleg Gwent (known until 1 January 2000 as Gwent Tertiary College), which is the largest further education institution in Wales with some 28,000 students.¹ In April 1997, six Members of Parliament from South Wales wrote to the Comptroller and Auditor General raising concerns about the costs of a management restructuring exercise undertaken by the College and resulting redundancies.² The restructuring which was implemented during 1996 resulted in an increase in management posts at the College from 56 to 118. At the same time the College also introduced major changes to the pay and conditions of teaching staff. Both factors caused major financial problems at the College which resulted in it making an operating deficit of £6.8 million in the academic year 1996-97.³
2. In October 1997 concerns were also raised about the activities of the College's Training Shop, a separate Unit which handled the College's training supported by funding from the European Social Fund. The College's internal auditors at that time carried out a detailed review of the Training Shop and found a number of serious failings in the College's management and oversight of the unit. There were also questions of irregularity and impropriety at the Training Shop.⁴
3. In late 1997, and 1998, officials from the Department for Education and Employment and the European Commission undertook a review of the College's claims for European funding. They found that the College was unable to demonstrate from its records that the funds it had received from the European Social Fund had been applied correctly. In the light of this review all payments of European funding to the College were suspended, the College disbanded the Training Shop and withdrew from participating in any European-funded training schemes.⁵
4. The Principal at the time of the financial problems at the College – Mrs Sue Parker resigned in July 1997. Mr David Mason – the current Principal - was appointed with effect from 1 April 1998. Since 1998, all but one of the College's senior management team in post at the time of the events of 1996 and 1997 have left the College. With the

¹ Committee of Public Accounts (PAC) 2nd Report 1999-2000 HC102 para 1

² Comptroller & Auditor General's (C&AG) Report on Financial Management at Gwent Tertiary College HC 253 1998-99 Executive Summary para 1

³ PAC Report para 2

⁴ PAC Report para 3

⁵ PAC Report paras 12 -14

exception of one of the staff governors, none of the governors in post at the time of the problems remain in post.⁶

5. The Comptroller and Auditor General issued his report in March 1999 entitled *Financial Management and Governance at Gwent Tertiary College* (HC 253 1998-99) which was considered by the Committee of Public Accounts in June 1999. Their report led to a Treasury Minute (the Government's response to a PAC report) being issued in March 2000.⁷ This made clear that the relevant responsibilities of the former Welsh Office had been transferred to the Assembly and it was for the Audit Committee to monitor the measures taken by the Further Education Funding Council for Wales and by the Assembly. In view of the Committee of Public Accounts' highly critical report and the concerns that the Audit Committee had about some of the responses in the Treasury Minute, we took evidence in June 2000 from officials from the National Assembly and the Further Education Funding Council for Wales (the Funding Council) and the Principal of Coleg Gwent. Our report takes forward many of the concerns raised by the Committee of Public Accounts and provides an update of the current state of play at the College on the following issues:

- the current financial health of the College and European funding issues;
- the governance and management of the College;
- the financial management of the College;
- external monitoring of the College and accountability issues; and
- some of the wider implications for the further education sector in Wales of the events at Gwent.

⁶ C&AG's Report Executive Summary paras 13 and 14

⁷ Cm 4656 Treasury Minute on the First to Third Reports from the committee of Public Accounts 1999-2000

THE FINANCIAL HEALTH OF THE COLLEGE AND EUROPEAN FUNDING ISSUES

The financial health of the College

6. From incorporation in 1993 until the management restructuring and the changes to the pay and conditions of teaching staff which took place in 1996, the College had consistently achieved surpluses on its income and expenditure account. In the academic year 1996-97, the College made an operating deficit of £6.8 million. In the face of this financial crisis the College took corrective action and was able to reduce the deficit in the following year to £1 million.⁸ The Treasury Minute reported that in the academic year 1998-99 the College made an operating deficit of £0.5 million.⁹ The Principal of the College told us that the College is forecasting that it will make a small operating surplus of about £188,000 in the current academic year to 31 July 2000 against an original budget to break even. He added that the College has the strategic aim over the coming years to deliver an operating surplus of around £1 million a year.¹⁰ We are pleased that the College appears to have turned the corner in its financial recovery. However, we look to the College to maintain its financial position by continuing to be vigilant in its financial management.

European funding issues

7. This financial recovery by the College masks the issue of the repayment it is required to make to the European Union of the funds which the College received from the European Social Fund but which it did not apply correctly. The Principal subsequently confirmed in a note to us that the amount which the College will have to repay is £2.82 million. The Department for Education and Employment, which oversees the administration of this funding in the United Kingdom, has agreed that the College can repay this sum in three equal instalments on the last day of each of the next three academic years beginning in July 2001.¹¹
8. The Principal is confident that this repayment will not dramatically affect the day-to-day business of the College. It will not mean that courses will have to be closed or that staff will lose their jobs. The College planned to find the money by reducing its planned capital investment programme by nearly £1 million in each of the next three years which

⁸ PAC Report para 9

⁹ Cm 4656 para 22

¹⁰ Q64

¹¹ Letter from Principal of Coleg Gwent 2 August 2000

in the current academic year will reduce capital expenditure from about £7 million to about £6 million.¹²

9. The current capital investment programme gives a high priority to maintenance, an area which had been severely cut back while the College was in financial crisis. The College has commissioned a condition survey of its estate and as a result £2 million of the aforementioned £6 million of capital expenditure for 2000-2001 has been allocated to the maintenance of the existing estate.¹³ In addition, the College also plans to spend over £1 million of revenue expenditure on maintenance.¹⁴ The Principal told us that the College would like to spend more money, more quickly, on this aspect but it will look to rebalance the under-investment of the past few years.¹⁵ It concerns us that the College has had to cut back so savagely on its maintenance programme for so long. We look to the College to improve the fabric of its estate as quickly as possible and to keep a close eye on health and safety issues while backlog maintenance is being addressed.
10. The review of the Training Shop undertaken by the College's then internal auditors in 1998 found a catalogue of serious failings in the College's management and monitoring of the unit. For example, the College had failed to produce any strategic or business plans for the Training Shop, nor had it set any aims, objectives or targets for it. It had no records of the staff who worked for the Training Shop, and there was only limited formal reporting by the Training Shop to either the Governing Body or to senior management. In addition many of the Training Shop's activities were not covered by the College's financial regulations and there were a number of serious potential conflicts of interest within the Training Shop.¹⁶
11. The current Principal told us that in his view these problems were symptomatic of the widespread failings in control that had existed in the College. He assured us that, in response to those failings, tight financial controls systems had now been put in place across the College. All monies received in the College now have to be accounted for and spent appropriately. For example, staff cannot now be appointed without approval at the appropriate level.¹⁷
12. We stated in our report on Further Education in Wales¹⁸ that it is vital to the future prosperity of Wales that maximum use is made of Objective 1 status and of the funding

¹² Q4

¹³ Q5

¹⁴ Letter from Principal 2 August 2000

¹⁵ Q5

¹⁶ PAC Report para 12

¹⁷ Qs 7-8

¹⁸ Audit Committee Report 00-03: Further Education in Wales

that will flow from that programme. The Principal of Coleg Gwent told us that for the past two to three years the College had not been directly involved in any European Social Fund projects. He agreed that a College of the size and importance of Coleg Gwent should be involved in this area of activity particularly under Objective 1 status. He told us that the College planned to appoint two people to help with the transition back into European Social Fund work.¹⁹ He also told us that the Department for Education and Employment had confirmed that it was now satisfied with Coleg Gwent's financial control and monitoring procedures and has no concerns about the College applying for and receiving European Social Funds.²⁰

13. He told us that that the College did not have any Objective 1 funded schemes ready to start although there were some embryonic schemes. The Principal considered that the crisis at the College had caused it to lose sight of some wider strategic considerations. However, the College would be looking to build plans for some European projects into its strategic and institutional planning for next year.²¹ We are very concerned that the College currently has no firm proposals in place to utilise Objective 1 funding. Given its position as the largest further education institution in Wales, Coleg Gwent must take immediate action to ensure that it is able to maximise its use of the funding available under Objective 1.
14. The importance of European funding to Wales cannot be over-estimated. However, the Permanent Secretary told us that accountability for European Social Funds monies in Wales does not rest with him but is vested in the Department for Education and Employment. He noted, however, that he is accountable for expenditure undertaken in Wales of funds received from the European Regional Development Fund.²² We note that, as part of the Comprehensive Spending Review, the United Kingdom Government has passed responsibility for expenditure of European Social Funds to the Assembly. We look to the Assembly to put proper procedures in place and to discharge this new responsibility with regard to the need for regularity and propriety.

THE GOVERNANCE AND MANAGEMENT OF THE COLLEGE

Governance

15. The Governing Body which was in place at the College at the time of the crisis has come in for considerable criticism. For example, it is well documented that the Governing

¹⁹ Q10

²⁰ Letter from Principal 2 August 2000

²¹ Qs 19 and 21

²² Qs 11 and 14

Body did not set any framework for the implementation of the management restructuring, nor did it have any formal procedures for monitoring the progress of the restructuring. The Committee of Public Accounts described the attitude of the Governing Body to events at the College as complacent.²³ With the exception of one of the staff governors who has been re-elected by the staff, none of the governors now in post were in post at the time of the crisis.²⁴

16. The Principal told us that the Governing Body had changed dramatically since the crisis. The Governing Body had expanded from 13 to 19 members, and aimed to have a total determination of 21. This included two co-opted members and the maximum allowed of three staff members. In addition, because Coleg Gwent functions within five unitary authorities, the College had been given special dispensation to appoint up to five local authority members which had now been achieved. The Governing Body had now undertaken a detailed skills audit which had identified the need for a member with a background in special needs as well as someone with a legal background. Both appointments had recently been made. In addition, someone from the farming community was also being sought. In his opinion the Governing Body now had a good balance of skills and was very vigilant.²⁵
17. The Principal also told us that the Governing Body at Coleg Gwent had made extensive use of the training on offer under the Funding Council's Governance and Management Development Programme and had also run a large amount of in-house training. The Governing Body had held governors' development evenings and had received training sessions from the College's external auditors, and solicitors. In addition all new governors now go through an induction process tailored to their particular needs.²⁶ We welcome the changes in the Governing Body at Coleg Gwent including the full representation of all of the relevant local authorities. We particularly welcome the skills audit which the Governing Body has undertaken and that the Governing Body has expanded to accommodate the additional skills this process identified. We recommend that the Governing Body of every institution in the sector should undertake a detailed skills audit of its requirements and look to amend its membership in accordance with the findings.

Management issues at the College

²³ PAC Report para 7 (xii)

²⁴ PAC report para 55

²⁵ Q37

²⁶ Q38

18. In late 1997, the Governing Body implemented a number of measures which were designed to improve the financial position of the College as quickly as possible.²⁷ These actions included withdrawing contractually agreed arrangements that had been negotiated with the trade unions. Most notably this included the College withdrawing the so-called “workload agreement” which had been negotiated by Mrs Parker, the previous Principal, with the trades unions at the College. This agreement in effect afforded the means by which teaching staff at the College could recover expected efficiency gains from new contracts which had set particular terms and conditions for staff.²⁸ The Principal told us that at the time the trade unions had understandably felt that they had made a deal and that in their view College management had reneged on that deal. As a consequence, at the end of 1997 the staff had voted to take industrial action and the situation was not resolved until June this year.²⁹ We are pleased that the College has been able to negotiate an end to the industrial dispute that has disrupted the College since the end of 1997. However, the dispute has left a legacy of distrust which the management of the College will need to work hard to overcome.
19. One of the other early measures which the College took in 1997 to improve its financial position was to reverse the management restructuring from 118 posts back down to 35 posts.³⁰ The current Principal noted that as a result of these changes when he arrived at the College a typical faculty manager had up to 60 lecturers to manage which was not a realistic proposition. The College had therefore introduced an intermediate layer of management called section heads who spend about two thirds of their time teaching and one third supervising a small team of lecturers. A business plan to this effect had been reviewed and endorsed by both the Finance and Human Resources Committees of the Governing Body. The budget agreed by the Governing Body was £256,000 which was the estimate of the increase in the pay bill for the additional people needed to take over the teaching hours which the section heads had previously taught.³¹
20. The Finance Committee monitored the appointments and the Principal had to report exact details of the total cost backed up by a list of appointments, salaries and other information. The Principal stated that the process had come in under budget and that the introduction of section heads had been successful so far. He told us that the Governing Body held it up as an example of a well-managed project which it had monitored.³² We

²⁷ C&AG’s report para 1.5

²⁸ C&AG’s report para 2.24

²⁹ Q69

³⁰ C&AG’s report para 2.17

³¹ Q80

³² Q80

note the careful way the College managed the latest overhaul of its wider management structure which was in marked contrast to the way it managed the original restructuring exercise in 1996. We recommend that other institutions in the sector take note of the way Coleg Gwent has managed its latest restructuring.

21. Both the Principal of the College and the Funding Council admit that the College does still need to address a number of key strategic problems. One important factor is the need to produce accurate data on the number of students the College has enrolled. The Principal noted that the funding model for the sector now related money directly to students and that therefore accurate data about student enrolments was needed. He told us that the College had been struggling to produce such data but added that the College was to invest £250,000 in a new computer system to try to improve its record keeping. He also noted that the most recent external audit of data found that the College was in practice under-recording the number of students it has enrolled rather than over-recording. There was no suggestion therefore that the College was claiming money to which it is not entitled.³³ It concerns us that the College still faces difficulties in producing management information on the number of students that it enrolls. The Committee looks for confirmation of an early resolution to this problem.

The assessment and training of staff

22. One of the key concerns which the Committee of Public Accounts raised in its report is the need for all colleges to have both a probationary period and a formal appraisal process in place for their Principals.³⁴ The Principal of Coleg Gwent confirmed to us that his appointment had been subject to a probationary period and that he had also been subject to a review of his performance at the end of his first year in post.³⁵ We seek confirmation that the Principal underwent a full appraisal process at the end of his second year in post.
23. The Principal also said that the College's Governing Body is now moving to formalise an appraisal procedure for each of the four senior post holders within the College. The College will gradually cascade the appraisal system right through the College although the Principal stressed that he would see this appraisal process more as a developmental tool rather than just being about staff's performance.³⁶ Coleg Gwent needs to formalise its appraisal process for its four senior post holders as quickly as possible and extend it to the remainder of the staff when this is practicable.

³³ Q82

³⁴ PAC Report para 74

³⁵ Q23

³⁶ Qs 23 and 24

24. The Funding Council confirmed to us that most colleges have a system in place for appraising their Principal. The Funding Council told us that in May 2000 the Association of Colleges – the colleges’ employers federation – had issued guidance on a model contract which included arrangements for appraisal; and for probation periods. The Funding Council noted that while this is only guidance, it would address this issue in the Governance and Management Development Programme to ensure that all colleges are operating these procedures.³⁷ We recommend that the whole sector should adopt formal appraisal processes for senior post-holders as quickly as possible.

THE FINANCIAL MANAGEMENT OF THE COLLEGE

General financial management

25. In its report, the Committee of Public Accounts was highly critical of the financial management at the College. In addition to the complete breakdown in controls and regulations highlighted by the problems at the Training Shop,³⁸ the Committee of Public Accounts condemned the lack of honesty and integrity in the College’s financial reporting during the time of the crisis both on the estimated costs of the restructuring and the College’s overall financial position.³⁹ The Treasury Minute recorded that the College has since introduced a new financial control regime and new improved budgetary control procedures.⁴⁰
26. The Principal told us that the College now involved all budget managers in the development of the annual budget, which was ultimately approved by the Governing Body. Detailed, monthly, management reports showed the income and expenditure account, cash flow predictions and the current forecast of the likely year-end financial position. The budget holders were asked to account for the variances in the report and to provide an action plan for addressing those variances. The Finance Committee of the Governing Body met to review each monthly management report.⁴¹ We commend the comprehensive budget-setting and monitoring processes which have now been adopted by Coleg Gwent and which are key to ensuring the financial success of any institution.
27. The Committee of Public Accounts was also critical of the failure of the College during the time of the crisis to have anyone on the senior management team with an accounting background.⁴² The Principal of Coleg Gwent confirmed to us that by July 1998 the

³⁷ Q26

³⁸ PAC report para 7 (viii)

³⁹ PAC report para 7 (x)

⁴⁰ CM 4656 para 32

⁴¹ Q30

⁴² PAC Report para 7 (vii)

College did not have any qualified accountants. The current Finance Director who was a member of the senior management team arrived in August 1998. He had set about strengthening the Finance Department and the College now had three qualified accountants.⁴³ We note that the College has recognised the need to have adequate numbers of professionally qualified financial staff. We consider it is vital that all institutions have the appropriate level of qualified finance staff.

The procurement of goods and services

28. In the light of our serious concerns about the way the further education sector has managed the procurement of goods and services, based on sector-wide examinations by the Auditor General for Wales, we asked how Coleg Gwent has tackled this issue. The Principal told us that during the period of the crisis, the six campuses within the College had been allowed to make their own procurement arrangements. In practice each campus had been buying its own items with no central control. As a result, towards the end of 1998, the College had appointed a purchasing officer to try to co-ordinate the central purchasing policy. The College told us, however, that it had quickly recognised that this was not an administrative post but a job for a qualified procurement manager. In April 2000 the College had appointed an experienced procurement manager.⁴⁴
29. The Principal provided us with a number of examples of the savings that the College has made on procurement. For example, by centralising procurement in the College it has saved £100,000 on information technology expenditure and saved 20 per cent on its photocopying costs. In total, the College has saved over £250,000 on its procurement of goods and services in the current year and it is looking for further significant savings in the years ahead.⁴⁵ **We note the steps the College has made to improve its procurement of goods and services, which we commend to the sector. In particular the College was able to demonstrate to us the benefits of centralised purchasing; and the appointment of qualified procurement staff who have the necessary expertise.**
30. The Committee of Public Accounts was also very critical of the way in 1997 the College had appointed both Mr Cyril Lewis, as a consultant to propose and implement a recovery plan at a total cost of £77,000; and Coopers & Lybrand as financial advisers, without holding any form of competition.⁴⁶ The Principal assured us that the way these

⁴³ Q31

⁴⁴ Q74

⁴⁵ Q74

⁴⁶ PAC Report para 7 (xx)

appointments had been made could not now happen under the College's current procedures. There would have to be a tendering process for any such appointment.⁴⁷

Implementing audit recommendations

31. One of the most unfortunate episodes during the crisis at Gwent was the failure of the College to implement many of the recommendations made by the Funding Councils' Audit Service in 1996 for improvements to the College's financial management and controls. The College subsequently misled the Funding Council when it reported that it had implemented all but two of the recommendations.⁴⁸
32. The Principal told us that all audit reports now went before the College's Audit Committee which reviewed them and the management's actions and responses. The Chairman of the Audit Committee, in conjunction with the Clerk to the Governing Body, operated a small computer database which included all audit recommendations, the actions proposed and the date by which they had to be completed. The Audit Committee monitored that action was taken on every single recommendation and also required evidence that the action had been taken. If matters recurred past their due date the Audit Committee required an explanation. In turn the Governing Body now received regular reports from the Audit Committee on this process.⁴⁹ **We recommend that the Audit Committees of all institutions across the sector adopt the approach Coleg Gwent has employed for monitoring the implementation of recommendations made by all auditors.**

EXTERNAL MONITORING OF THE COLLEGE AND ACCOUNTABILITY ISSUES

Monitoring by the Funding Council

33. The Committee of Public Accounts asked why the Funding Council's monitoring of the College had failed to identify the fundamental failings of governance and management at the College. For example, the Committee of Public Accounts questioned how the Principal had been able to conceal the College's true financial position from both the Governing Body and the Funding Council for so long.⁵⁰
34. The Funding Council monitors the financial health of all institutions three times a year. Having made a significant operating surplus in the academic year 1994-95, by July 1996 the College was forecasting a small operating deficit for 1995-96 and an operating deficit

⁴⁷ Q71

⁴⁸ PAC Report paras 34 and 35

⁴⁹ Qs 28 and 29

⁵⁰ PAC report paras 7 (x) and (xiii)

of £750,000 for 1996-97. At the same time, however, the College's Senior Management Team was privately forecasting a very large operating deficit for 1996-97.⁵¹ Despite the apparent decline in the College's financial performance the Funding Council continued to assess the College's financial health as Satisfactory (the highest rating) until March 1997 when the College finally admitted it was heading for a very large operating deficit in 1996-97. At that point the Funding Council changed its categorisation of the College's financial health to Marginal.⁵² It was not until February 1998 that the Funding Council changed its assessment to Unsatisfactory - the lowest rating – an action that automatically triggers significantly more oversight of institutions by the Funding Council.⁵³

35. The Funding Council has recently changed Gwent's categorisation of financial health back from Unsatisfactory to Marginal. The new Chief Executive of the Funding Council told us that he had personally reviewed the decision and had endorsed it. The decision had been based on the College's improving operating performance, its increase in general reserves, a small reduction in the College's reliance on funding from the Funding Council and the Funding Council's increased confidence in the College's ability to forecast its financial position accurately. He believed that, also given the improvements in the control systems at the College, it would have been perverse not to change the College's categorisation.⁵⁴
36. He also told us, however, that the reclassification did not mean that the heat was off the College. The College would continue to have to provide monthly reports on its financial position and the Funding Council would continue to keep a close eye on the College. He acknowledged that many problems remain at the College including the backlog of maintenance, the need for a strong capital programme and the contingent liability for the European Social Fund monies. He further noted that the College needed to improve its strategic planning and be able to produce reliable data on student numbers.⁵⁵ **In light of the work that the College still has to undertake in a number of key areas such as strategic planning, we are surprised at the Funding Council's decision to recategorise the College's financial health. We urge the Funding Council to continue to monitor the College particularly closely.**

The accountability of individuals and organisations

⁵¹ C&AG's report Figure 2 and PAC report para 22

⁵² PAC report para 32

⁵³ C&AG's report para 5.8

⁵⁴ Q50

⁵⁵ Qs 50 and 51

37. We are concerned about the ability to hold individuals and organisations to account whenever negligence occurs in the public sector in Wales. At the time of the crisis at Gwent, the only power the Funding Council had to take direct action against the College was to withhold or reclaim grant money. In the light of the difficulties facing Gwent at the time the Funding Council considered that this would not have been an appropriate step for it to take.⁵⁶
38. The Governing Body made a favourable financial settlement to Mrs Parker when she resigned as Principal in July 1996. The Chief Executive of the Funding Council told us that Governing Bodies now had the powers to suspend an individual, without pay if necessary, or even to summarily dismiss them. He expressed the view that if a similar situation was to arise in the future, he hoped that Governing Bodies would not hesitate to use such powers. He added that he would do everything within his powers to ensure that matters were acted upon properly.⁵⁷ **Like our colleagues on the Committee of Public Accounts, we feel frustrated that no individual or organisation has faced direct sanctions or disciplinary action as a result of the events that took place at Coleg Gwent. We take some comfort from the reassurances provided by the Chief Executive of the Funding Council that were similar failings to happen in the sector now, the Governing Body concerned would have greater powers to take action against the individuals in question. We recommend that all Governing Bodies take note of the powers which are now available to them to hold to account individuals who have been negligent, and use them when necessary.**

External Audit

39. Deloitte & Touche were the College's external auditors at the time of the crisis. The PAC reported that the Funding Council's Audit Service had found that "the external auditors had not undertaken as part of their audit of the College's financial statements any detailed testing of transactions to primary records to confirm that the funds received by the College, including European funding, had been used for the purposes provided. The Committee of Public Accounts also noted the issue of the College seeking compensation from Deloitte & Touche."⁵⁸
40. The College told us that it was being very cautious on this issue. Now that the size and phasing of the sum to be paid back to the European Union had been finalised the College would take legal advice as to whether it should take action against organisations or indeed

⁵⁶ Qs 56 and 67

⁵⁷ Qs 67 and 68

⁵⁸ PAC report para 7 (xvi)

individuals. The Principal noted that the early legal advice which the College had received had shown that it would have to demonstrate that it had suffered a material loss as a result of the actions of Deloitte & Touche. He noted, with a view to protecting the public purse, that legal action against a large organisation such as Deloitte & Touche would be very expensive. Undertaking any such action would therefore require careful judgement on the part of the Governing Body. He assured the Committee, however, that within the constraints of the legal advice it received, the College would take whatever steps it could against Deloitte & Touche to secure redress.⁵⁹ We urge the College to pursue this matter vigorously.

41. The Funding Council has subsequently confirmed that Deloitte & Touche are currently the internal auditors to four further education institutions in Wales and external auditors at another seven which means they are involved in more than a third of colleges in the sector.⁶⁰ The Funding Council told us that it continued to work closely with Deloitte & Touche's Bristol Office to monitor the firm's work in Wales – the Cardiff Office no longer being responsible for this work. The Funding Council told us that it had made their expectations clear to Deloitte & Touche.⁶¹ We recommend that the Funding Council should report to the National Assembly regularly on the results of its monitoring of Deloitte and Touche's work in Wales.
42. The Permanent Secretary told us that the Assembly had written to the Institute of Chartered Accountants in England and Wales to ask if there had been any actions which the Institute needed to take in relation to the quality of the work of Deloitte & Touche at Coleg Gwent. The Institute had referred this letter to its Professional Standards Office. The Permanent Secretary also told us that the National Assembly had written to all Chief Executives of public bodies in Wales to draw their attention to the comments and recommendations made by the Committee of Public Accounts relating to the adequacy of the work of Deloitte & Touche.⁶² We note that the National Assembly has raised this matter about Deloitte & Touche in this way and we await its outcome with interest.
43. We also consider that, given our remit to scrutinise public expenditure by the Assembly and its sponsored bodies, and given the advent of the National Council for Education and Training for Wales, it is timely to review and strengthen the audit arrangements for further education institutions in Wales. The Auditor General for Wales is appointed by statute as the external auditor of the new Council. The external auditors of further

⁵⁹ Qs 55 and 56

⁶⁰ Letter from Funding Council to the Committee 5 July 2000

⁶¹ Q57

⁶² Q60

education institutions are appointed by and report to their own Governing Bodies. At present, if the Auditor General wished to report to the Assembly on a matter concerning a particular institution, he would need to inspect the books and records of that institution or rely on the work of the appointed external auditors and the Funding Councils' own Audit Service. However, these arrangements do not provide a systematic means of monitoring the consistency of external audit standards across the sector. We see considerable merit in appointing the Auditor General as the external auditor of each further education institution in Wales or, alternatively, making him responsible for such external audit appointments and thereby enable him to oversee the consistency of audit standards across the sector. The Scottish Parliament has already made provision for the Auditor General Scotland to be appointed as the external auditor of further education institutions in Scotland; and consideration is being given to appointing the Comptroller and Auditor General as the external auditor of English further education institutions. Such a move would strengthen the public audit arrangements in Wales and allow the Auditor General for Wales and the Audit Committee to undertake our respective functions in respect of this important area of public expenditure more effectively.

SOME OF THE WIDER IMPLICATIONS FOR THE FURTHER EDUCATION SECTOR IN WALES OF THE EVENTS AT COLEG GWENT

The administrative framework of the Further Education sector in Wales

44. We considered the fundamental question as to whether - particularly in the light of the events which took place at Coleg Gwent - having further education institutions as independent self-governing corporations is the most appropriate model for the sector. The Permanent Secretary told us that when further education institutions were set up as independent self-governing bodies, the climate at the time had been that the Welsh Office should have a hands-off approach to their oversight and governance. Further education institutions were to be established as strong independent bodies with representation from local businesses and local communities and it was not for the public sector to second-guess them.⁶³
45. In the light of events at Coleg Gwent and elsewhere, the Permanent Secretary said he accepted it had been shown that this assumption was not the right one. With the benefit of hindsight, the procedures and systems that had been put in place for the establishment of these bodies in 1993 had been inadequate to deal with the sort of events that happened at Coleg Gwent – either to prevent them or, once they had happened, to identify them

⁶³ Q16

quickly and bring them under control.⁶⁴ Both the Permanent Secretary and the Chief Executive of the Funding Council confirmed, however, that their roles were to make the existing model work to the best of their ability.⁶⁵ We also note the view of the Auditor General for Wales that his experience from examining a large number of institutions has shown that the freedoms provided to Governing Bodies throughout the country - not just in Wales - have not been backed up by proper systems and procedures.⁶⁶

46. This Committee considers that the events at Coleg Gwent have raised fundamental questions about the current administrative framework for the further education sector. We recommend that the Assembly Minister for Education and Life Long Learning, in consultation with the corresponding Subject Committee, should examine whether the model established for the further education sector of colleges as independent self-governing bodies remains appropriate.

Governance issues

47. We asked the National Assembly to tell us, in the light of the significance being placed upon the Governance and Management Development Programme, how it was planning to assess the effectiveness of that programme. The Permanent Secretary noted that he thought the National Assembly would assess the Governance and Management Development Programme mainly through the annual assurance statement on governance in institutions which the Funding Council was due to submit to the National Assembly each June.⁶⁷
48. The Funding Council told us that, from its latest assessment in terms of the Governance and Management Development Programme, it had concerns about the way in which Governing Bodies operate at six of the sector's 27 institutions. They assured us that they would be focusing its efforts in the forthcoming second phase of the Governance and Management Development Programme on those institutions. The Governance and Management Development Programme remained a key part of the Funding Council's oversight of the sector.⁶⁸ We would welcome information from the National Assembly in due course on the outcomes achieved from part one of the Governance and Management Development Programme and the main aims, objectives and targets which have been set

⁶⁴ Qs 16 and 17

⁶⁵ Qs 47 and 90

⁶⁶ Q92

⁶⁷ Q89

⁶⁸ Q49

for the next part of this programme.

49. Given this Committee's serious concerns about the current state of governance in the sector, some of which we also highlighted in our previous report on Further Education in Wales [Audit Committee report 00-03], we asked the Funding Council the latest position regarding the issue of the new revised Guide for Governors. The Funding Council told us that the revised Guide would at last be issued during the summer and would be accompanied by a range of useful and user-friendly training materials.⁶⁹ We are disappointed that this material has not been available before. The Funding Council recognised, however, that simply issuing such training materials did not mean that its job was done and that it had a continuing responsibility in this area. It was trying to ensure, primarily through the Governance and Management Development Programme, that best practice was available to all Governing Bodies and this was an area in which it would look to work in close partnership with institutions.⁷⁰

Other issues

50. In the light of the events at the Training Shop, a unit that had a particular entrepreneurial remit, we asked what guidance the Funding Council has produced to ensure that Colleges have sufficient oversight of such units and what monitoring the Funding Council undertakes. The Funding Council told us that it monitored units with an entrepreneurial remit as part of their general monitoring of control systems. This work was built into the Audit Service's audit programme and did not in its opinion require a specific one – off response.⁷¹ In the opinion of this Committee, the saga of the College's Training Shop was made worse by the unusual and entrepreneurial nature of its remit and working practices. Despite the reassurances provided by the Funding Council that such units needed only to be subject to the same monitoring as any other parts of institutions we consider it is vital that all trading units and companies operated by Colleges are strictly regulated and monitored by the Funding Council. We recommend that the Funding Council should establish a register of all units with an entrepreneurial remit and companies at all institutions and monitor their activities using internal audit.
51. Finally, in the light of the events at Gwent we sought confirmation that all institutions in the sector now have a whistleblowing policy in place. The Funding Council confirmed that all institutions had a system in place although at a number of institutions the policy

⁶⁹ Q43

⁷⁰ Q49

⁷¹ Q85

was awaiting formal approval. The Funding Council also confirmed that all these systems conformed to best practice.⁷² The Principal of Coleg Gwent confirmed that his College had an approved whistleblowing procedure which he was currently discussing with the trades unions. He noted, however, that the whistleblowing procedure the College had put in place was a daunting legalistic document and that the College was trying to produce a staff-friendly guide to the whistleblower procedure.⁷³ We recommend that all institutions should ensure they have a users' guide to assist staff in understanding how their whistleblowing policy operates.

RECOMMENDATIONS

52. In the light of these findings and conclusions we make the following recommendations:

Financial Health of Coleg Gwent and European Funding Issues

- (i) We look to the College to maintain its financial position by continuing to be vigilant in its financial management.
- (ii) We look to the College to improve the fabric of its estate as quickly as possible and to keep a close eye on health and safety issues while backlog maintenance is being addressed.
- (iii) Given its position as the largest further education institution in Wales, Coleg Gwent must take immediate action to ensure that it is able to maximise its use of the funding available under Objective 1.
- (iv) We look to that the Assembly to put proper procedures in place for the oversight of European Social Funds received in Wales and to discharge this new responsibility with regard to the need for regularity and propriety.

Governance and Management

- (v) We recommend that the Governing Body of every institution in the sector should undertake a detailed skills audit of its requirements and look to amend its membership in accordance with the findings.
- (vi) We recommend that other institutions in the sector take note of the way Coleg Gwent has managed its latest restructuring.

⁷² Q87

⁷³ Q88

- (vii) It concerns us that the College still faces difficulties in producing management information on the number of students that it enrolls. The Committee looks for confirmation of an early resolution to this problem.
- (viii) We seek confirmation that the Principal underwent a full appraisal process at the end of his second year in post.
- (viii) Coleg Gwent needs to formalise its appraisal process for its four senior post holders as quickly as possible and extend it to the remainder of the staff when this is practicable.
- (x) We recommend that the whole sector should adopt formal appraisal processes for senior post-holders as quickly as possible.

Financial Management

- (xi) We consider that it is vital that all institutions have the appropriate level of qualified finance staff.
- (xii) We recommend that the Audit Committees of all institutions across the sector adopt the approach Coleg Gwent has employed for monitoring the implementation of recommendations made by all auditors.

External Monitoring and Accounting Issues

- (xiii) In light of the work that the College still has to undertake in a number of key areas such as strategic planning, we are surprised at the Funding Council's decision to recategorise the College's financial health. We urge the Funding Council to continue to monitor the College particularly closely.
- (xiii) We recommend that all Governing Bodies take note of the powers which are now available to them to hold to account individuals who have been negligent, and use them when necessary.
- (xv) We urge the College vigorously to pursue the issue of taking cost effective legal action for redress against Deloitte & Touche.
- (xvi) We consider it timely to review and strengthen the audit arrangements for further education institutions in Wales. We see considerable merit in appointing the Auditor General for Wales as the external auditor of each further education institution in Wales or, alternatively, making him responsible for such external audit appointments and thereby enable him to oversee the consistency of audit standards across the sector.

Wider Implications for the FE Sector

- (xvii) We recommend that the Assembly Minister for Education and Life Long Learning, in consultation with the corresponding Subject Committee, should examine whether the model established for the further education sector of colleges as independent self-governing bodies remains appropriate.
- (xviii) We would welcome information from the National Assembly in due course on the outcomes achieved from part one of the Governance and Management Development Programme and the main aims, objectives and targets which have been set for the next part of this programme.
- (xviii) We recommend that the Funding Council should establish a register of all units with an entrepreneurial remit and companies at all institutions and should monitor their activities using internal audit.
- (xx) We recommend that all institutions should ensure they have a users' guide to assist staff in understanding how their whistleblowing policy operates.
- (xxi) Because of the wider relevance of the events at Coleg Gwent, we recommend that the Funding Council should arrange for this report to be considered by every FE College in Wales.

CONCLUDING COMMENTS

53. We are pleased that Coleg Gwent can now begin to plan with more certainty for the future now that it has finally settled the repayment which it will have to make to the European Union of the funds which it received from the European Social Fund. While we welcome the fact that the College has been able to make a significant financial recovery, we are aware that progress has to be measured in terms of the College's capacity to absorb the pain of this repayment. The events at Gwent should be a stark warning to all institutions of the immense price that has to be paid for a failure to manage an institution in the appropriate manner and the consequential impact on students present and future.
54. Like the Committee of Public Accounts before us we, are immensely frustrated that no individual has been held to account for the events at Gwent. We consider that this sends out the wrong message to all those who work in the public sector in Wales and to the taxpayers who expect the best use to be made of their money. We urge the College that it very carefully considers its position in relation to the work of Deloitte & Touche as the College's former external auditors. While we fully acknowledge that the College has to

protect the public purse, we urge the College to consider all possible options for taking cost-effective actions against Deloitte & Touche to secure redress.

55. In the light of events at Gwent this Committee considers that it is time that a more consistent and strengthened approach is adopted for the external audit of the further education sector in Wales. Appointing the Auditor General for Wales as the external auditor to all institutions or, alternatively, to make him responsible for such appointments to enable him to oversee the standard of external audit, would greatly enhance accountability to the Assembly and provide much needed consistency across the sector. We therefore encourage the Assembly to reconsider the audit arrangements for the further education institutions in Wales.

56. Notwithstanding the achievements of the further education sector since it was incorporated in 1993, we consider that the events at Gwent provide a salutary warning about the basic deficiencies in the way in which the further education sector is structured. We therefore wish to bring to the attention of the Assembly Minister for Education and Life Long Learning and the corresponding Subject Committee our concerns about the way in which the current funding, oversight and accountability model for the further education sector in Wales operates. Freedoms for Governing Bodies need to be balanced against the need for proper systems and procedures.

ANNEX A



**Cynulliad Cenedlaethol Cymru
Pwyllgor Archwilio**

**The National Assembly for Wales
Audit Committee**

Coleg Gwent

**Cwestiynau 1-93
Questions 1-93**

Dydd Iau 15 Mehefin 2000

Thursday 15 June 2000

Aelodau o'r Cynulliad yn bresennol: Janet Davies (Cadeirydd), Lorraine Barrett, Peter Black, Alun Cairns, Jane Davidson, Geraint Davies, Brian Gibbons, Alison Halford, Dafydd Wigley.

Swyddogion yn bresennol: Gillian Body, Swyddfa Archwilio Genedlaethol Cymru; Syr John Bourn, Archwilydd Cyffredinol Cymru; Sharon Davies, Swyddog Cydymffurfio Cyllid Gweithredol Cynulliad Cenedlaethol Cymru.

Tystion: Jon Shortridge, Ysgrifennydd Parhaol, Cynulliad Cenedlaethol Cymru; Steve Martin, Prif Weithredwr, Cyngor Cyllido Addysg Bellach Cymru; Richard Hirst, Cyfarwyddwr Cyllid, Cyngorau Cyllido Cymru; David Mason, Prifathro a Phrif Weithredwr, Coleg Gwent.

Assembly Members present: Janet Davies (Chair), Lorraine Barrett, Peter Black, Alun Cairns, Jane Davidson, Geraint Davies, Brian Gibbons, Alison Halford, Dafydd Wigley.

Officials present: Gillian Body, National Audit Office Wales; Sir John Bourn, Auditor General for Wales; Sharon Davies, Acting Finance Compliance Officer of the National Assembly for Wales.

Witnesses: Jon Shortridge, Permanent Secretary, National Assembly for Wales; Steve Martin, Chief Executive, Further Education Funding Council for Wales; Richard Hirst, Director of Finance, Welsh Funding Councils; David Mason, Principal and Chief Executive, Coleg Gwent.

Dechreuodd y cyfarfod am 9.33 a.m.

The meeting began at 9.33 a.m.

[1] Janet Davies: I welcome [1] Janet Davies: Estynnaf everybody to this meeting of groeso i bawb i'r cyfarfod the Audit Committee. As you hwn o'r Pwyllgor Archwilio. undoubtedly know, the Fel y gwyddoch mae'n siwr, purpose of the first part of diben rhan gyntaf y cyfarfod the meeting is to take hwn yw cymryd tystiolaeth evidence in connection with ynghylch 'Treasury Minute the 'Treasury Minute to the to the Public Accounts Public Accounts Committee Committee Report on Report on Financial Financial Management and Management and Governance at Gwent Governance at Gwent Tertiary College'. Gofynnaf Tertiary College'. I invite the i'r tystion gyflwyno eu witnesses to introduce hunain.

themselves.

Mr Shortridge: **I am the** Mr Shortridge: **Ysgrifennydd**
Permanent Secretary of the **Parhaol y Cynulliad** **wyf fi.**
Assembly.

Mr Mason: **I am the principal** Mr Mason: **Prifathro a phrif**
and chief executive of Coleg **weithredwr Coleg Gwent** **wyf**
Gwent. **fi.**

Mr Martin: **I am the chief** Mr Martin: **Prif weithredwr**
executive of the Further **Cyngor Cyllido Addysg**
Education Funding Council **Bellach Cymru** **wyf fi.**
for Wales.

Mr Hirst: **I am the director of** Mr Hirst: **Cyfarwyddwr cyllid**
finance of the Welsh Funding **Cynghorau Cyllido Cymru**
Councils. **wyf fi.**

[2] Janet Davies: **I understand** [2] Janet Davies: **Deallaf fod**
that the witnesses have some **gan y dystion gynorthwy-wyr.**
assistants. On my list are **Ar fy rhestr mae Arwel**
Arwel Thomas, senior **Thomas, uwch archwilydd**

auditor of the Welsh Funding Cynghorau Cyllido Cymru;
Councils; Richard Hart, Richard Hart, pennaeth yr
head of the Further Is-Adran Cyngor Cyllido
Education Funding Council Addysg Bellach; Andrew
Division; Andrew Bevan, Bevan, cyfarwyddwr cyllid a
director of finance and gwyobdaeth yng Ngholeg
information at Coleg Gwent; Gwent; a Derek Adams,
and Derek Adams, head of pennaeth Is-Adran Addysg
the Further and Higher Bellach ac Uwch y Cynulliad
Education Division of the Cenedlaethol.
National Assembly.

Before we start, I will remind Cyn inni ddechrau, atgoffaf y
speakers that they will need siaradwyr y bydd angen
to ensure that the iddynt sicrhau bod y
microphone is on before they meicroffon ymlaen cyn
speak. Anyone who wishes to iddynt siarad. Mae croeso i
speak Welsh is welcome to do unrhyw un sydd am siarad
so. yn Gymraeg wneud hynny.

Two Committee members Mae gan ddau aelod o'r
have declarations of interest Pwyllgor ddatganiadau
to make. I declare an interest buddiant i'w gwneud.

as my husband at one time **Datganaf fuddiant am fod fy**
 worked for an accountancy **ngwr wedi gweithio am**
 firm that was later taken **gyfnod i gwmni cyfrifwyr a**
 over by Deloitte and Touche. **gafodd ei feddiannu gan**
 He now receives a small **Deloitte a Touche yn**
 pension from that company. **ddiweddarach. Mae'n**
 He did not actually work for **derbyn pensiwn bach gan y**
 Deloitte and Touche itself, I **cwmni hwnnw bellach. Nodaf**
 hasten to add. **na weithiodd erioed i Deloitte**
a Touche ei hun.

[3] Jane Davidson: I also [3] Jane Davidson: **Datganaf**
 declare an interest. My **innau fuddiant hefyd. Fy**
 husband is the secretary of **ngwr yw ysgrifennydd**
 the National Association of **Cymdeithas Genedlaethol yr**
 Teachers in Further and **Athrawon mewn Addysg**
 Higher Education in the **Bellach ac Uwch o fewn**
 Welsh region further **sector addysg bellach**
 education sector. **rhanbarth Cymru.**

[4] Janet Davies: There has [4] Janet Davies: **Bu cryn**
 been a lot of concern about **bryder ynglyn â Choleg**
 Coleg Gwent. The Public **Gwent. Yr oedd adroddiad y**

Accounts Committee report	Pwyllgor	Cyfrifon
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was quite strong and the Committee felt that it was important that we had a look at how things are progressing in the college. We are trying to check that the right structures are being put in place. My first question is to Mr Mason. I will look at the college's financial position in more detail later in the session. However, first, I understand that the college will have to repay £2.9 million to the European Union, in respect of the money from the European social fund. How will that affect the college's financial position and its ability to provide education and training?

Cyhoeddus yn un eithaf cryf ac yr oedd y Pwyllgor o'r farn ei bod yn bwysig ein bod yn cael golwg ar sut mae pethau'n datblygu yn y coleg. Yr ydym yn ceisio sicrhau bod y strwythurau cywir yn cael eu rhoi ar waith. Mae fy nghwestiwn cyntaf i Mr Mason. Byddaf yn ystyried sefyllfa ariannol y coleg yn fanylach yn ddiweddarach yn y sesiwn. Fodd bynnag, yn gyntaf, deallaf y bydd yn rhaid i'r coleg ad-dalu £2.9 miliwn i'r Undeb Ewropeaidd mewn perthynas â'r arian o'r gronfa Ewropeaidd. Sut y bydd hynny yn effeithio ar sefyllfa ariannol y coleg a'i allu i ddarparu addysg a hyfforddiant cynhwysfawr?

Mr Mason: I think that I can reassure the Committee on the repayment, which has yet to be finalised. Perhaps I could just clarify where we are on the repayment. The situation—as I am sure that members of the Committee know—is that we first of all placed the matters in the hands of the Gwent fraud squad, which considered whether there were any criminal charges that should be brought. That took a long time. I think that some members of the Committee may wonder why this seems to have been going on for such a long time. However, these wheels do move rather slowly, as you know.

Mr Mason: Credaf y gallaf sicrhau'r Pwyllgor ynglyn â'r ad-daliad, sydd heb ei gadarnhau'n derfynol hyd yn hyn. Efallai y gallaf egluro'r sefyllfa sydd ohoni ynghylch yr ad-daliad. Y sefyllfa yw—fel y gwyr aelodau o'r Pwyllgor, mae'n siwr—inni drosglwyddo'r mater i mater i Gwent, a heddlu twyll Gwent, a ystyriodd a oedd unrhyw gyhuddiadau troseddol y criminal charges that should dylid ei dwyn. Cymerodd hynny amser hir. Credaf fod rhai o aelodau'r Pwyllgor yn dyfalu efallai pam yr ymddengys bod hyn yn mynd ymlaen ers cymaint o amser. Fodd bynnag, mae'r olwynion hyn yn troi'n araf braidd, fel y gwyddoch.

Early this year, we received all the documentation back from the Gwent Police and we have asked our external auditors, Price Waterhouse Coopers, to undertake a detailed investigation of which of the moneys that we received will, in their view, have to be paid back. We have a meeting with the Department for Education and Employment next Friday to finalise both the sum of money to be paid back and the phasing.

Yn gynnar eleni, dychwelodd Heddlu Gwent yr holl ddogfennaeth inni ac yr ydym wedi gofyn i'n harchwilwyr allanol, sef Price Waterhouse Coopers, gynnal ymchwiliad manwl i gadarnhau pa symiau o arian a dderbyniasom y bydd yn rhaid eu had-dalu, yn eu barn hwy. Yr ydym yn cyfarfod â'r Adran Addysg a Chyflogaeth ddydd Gwener nesaf i gadarnhau'n derfynol y swm o arian i'w ad-dalu a'r cyfnodedd.

I want to focus first of all on the phasing. Whatever the sum of money that we have to pay back, we understand that the repayment will take place over a period, probably, of three years. I

Hoffwn ganolbwyntio gyntaf oll ar y cyfnodedd. Waeth beth fo'r swm o arian y bydd yn rhaid inni ei ad-dalu, deallwn y bydd yr ad-dalu'n digwydd dros gyfnod o dair blynedd, fwy na thebyg.

would like to think that we Hoffwn feddwl y gallem
could negotiate a longer negodi cyfnod hwy na
period than that, because, hwnnw, oherwydd, wrth
obviously, the longer we have gwrs, po fwyaf o amser a
to pay it back, the easier it fydd gennym i'w ad-dalu,
will be. However, my hawsaf fydd. Fodd bynnag,
understanding is that it is caf ar ddeall mai cyfnod o
likely to be a three-year dair blynedd fydd hwn fwy
period. na thebyg.

The sum, which has been Mae'r swm, sydd wedi cael ei
bandied about in the public grybwyll yn gyhoeddus, yn y
domain, in the press and so wasg ac ati, tua £2.9 miliwn.
on, is around £2.9 million. I Credaf mai'r hyn y gallaf
think that what I can say to ddweud wrth y Pwyllgor yw
the Committee is that the y bydd yn agos i'r swm
early indications from Price hwnnw yn ôl yr arwyddion
Waterhouse Coopers are that cynnar gan Price
it will be near to that sum. I Waterhouse Coopers. Ni
think that it is unlikely to be chredaf ei fod yn debygol o
much less than that sum. If fod yn llawer llai na'r swm
we, just for the purpose of hwnnw. Os ydym yn
my answer to this question, rhagdybio, a hynny dim ond
assume that it is £3 million in at ddiben fy ateb i'r cwestiwn

round terms, it would seem hwn, mai £3 miliwn ydyw yn
that we will have to pay back fras, ymddengys y bydd yn
£1 million in each of the next rhaid inni ad-dalu £1 miliwn
three financial years. ymhob un o'r tair blynedd
ariannol nesaf.

What effect would that have Pa effaith a gâi hynny ar y
on the college? In a sense, I coleg? Ar un olwg, mae'n
am pleased to say that, dda gennyf ddweud, er y
although I think that many credaf fod llawer o bobl yn y
people in the community fear gymuned yn ofni y bydd yn
that it is going to mean golygu bod cyrsiau'n cau neu
courses closed or staff losing fod aelodau o staff yn colli eu
their jobs, it really is not that swyddi, nad problem felly
sort of a problem. The issue ydyw mewn gwirionedd. Y
will simply be that, in the mater yn y bôn yw, yn y
capital programme that we rhaglen gyfalaf yr ydym yn ei
are planning—for example, chynllunio—er enghraifft, y
next year, we were hoping to flwyddyn nesaf, yr oeddem
invest about £7 million in yn gobeithio buddsoddi tua
capital investment in the £7 miliwn o fuddsoddiad
college—we will be investing cyfalaf yn y coleg—byddwn
£6 million instead of £7 yn buddsoddi £6 miliwn yn
million. Therefore, I think, hytrach na £7 miliwn. Felly,

probably, in summary, that credaf, fwy na thebyg, yn
 we are confident that we can gryno, ein bod yn ffyddiog y
 cope with the payback, in gallwn ymdopi â'r ad-daliad,
 terms of it not dramatically o ran na fydd yn effeithio'n
 affecting the day-to-day sylweddol ar fusnes y coleg, y
 business of the college, the staff a'r myfyrwyr o ddydd i
 staff and the students. What ddydd. Yr hyn y bydd yn ei
 it will clearly do is slow down wneud yn amlwg yw arafu'r
 the capital investment rhaglen buddsoddi cyfalaf yn
 programme by that much ôl y swm hwnnw bob
 each year. blwyddyn.

[5] Janet Davies: I will just [5] Janet Davies: Gofynnaf yn
 ask about the capital fyr am y rhaglen buddsoddi
 investment programme. cyfalaf. Yn amlwg, mae
 Clearly, you have several gennyh sawl campws, ac
 campuses, and there must be mae'n rhaid bod cryn
 quite a problem with some of broblem ynglyn â pheth o'r
 the maintenance, I would gwaith cynnal a chadw, fe
 imagine. If you are cutting dybiwn. Os ydych yn cwtogi
 back on the capital ar y rhaglen buddsoddi
 investment programme, cyfalaf, a allai hynny effeithio
 could that affect major ar waith cynnal a chadw
 general maintenance as well cyffredinol o bwys yn ogystal

as any new facilities?

ag unrhyw gyfleusterau
newydd?

Mr Mason: Obviously, when you are looking for a reduction of £1 million in each of those three years in the capital investment programme, then it has to be cut back from somewhere. In the first year that I arrived, when we were facing the first year of the crisis—what we called the survival year—we took a tactical decision that we would cut back to meet the budget requirements and to try to move the college forward. We concentrated on non-pay rather than staff costs. It is true to say that we did cut back significantly on maintenance. We really had no choice. We had to do

Mr Mason: Wrth gwrs, pan fyddwch yn edrych am ostyngiad o £1 miliwn yn y rhaglen buddsoddi cyfalaf ymhob un o'r tair blynedd hynny, mae'n rhaid cwtdogi rywle. Yn y flwyddyn gyntaf imi gyrraedd, pan oeddem yn wynebu blwyddyn gyntaf yr argyfwng—y flwyddyn oroesi, fel y'i gelwid gennym—gwnaethom benderfyniad tactegol y byddwn yn cwtdogi er mwyn bodloni gofynion y gyllideb a cheisio symud y coleg ymlaen. Canolbwyntiasom ar y costau nad oeddent yn ymwneud â thâl yn hytrach na chostau staff. Mae'n wir dweud ein bod wedi cwtdogi'n

something. Money was sylweddol ar waith cynnal a haemorrhaging from the chadw. Nid oedd unrhyw college. Again, I do not know ddewis gennym mewn if members of the Committee gwirionedd. Yr oedd yn have a feel for it, but I rhaid inni wneud rhywbeth. arrived in April 1998 and by Yr oedd arian yn llifo o'r July we could not pay the coleg. Unwaith eto, ni wn a staff's salaries. We had run all aelodau'r Pwyllgor out of money. In fact, the amgyffred â hynny, ond funding council had to give cyrhaeddais yn Ebrill 1998 us an advance on our grant. ac erbyn Gorffennaf ni allem dalu cyflogau'r staff. Yr oedd ein harian wedi dod i ben. Yn wir, yr oedd yn rhaid i'r cyngor cyllido roi blaendal o'n grant inni.

Given that situation, as I am O ystyried y sefyllfa honno, sure that you will appreciate, fel y gwerthfawrogwch, yr you look for ways to stem the wyf yn siwr, yr ydych yn flow of blood that have the chwilio am ffyrdd i atal y llif least impact on the day-to- sydd yn effeithio leiaf oll ar day running of the business. redeg y busnes o ddydd i So we cut back on ddydd. Felly, cwtogasom ar y maintenance. However, in gwaith cynnal a chadw. Fodd

our capital investment bynnag, yn ein cynlluniau
programme plans for the rhaglen buddsoddi cyfalaf ar
next three years we have gyfer y tair blynedd nesaf, yr
given a high profile to estates ydym wedi rhoi blaenoriaeth
maintenance. We had a uchel i waith cynnal a
condition survey done of all chadw'r ystadau.
the College's campuses by Cynhaliodd GVA Grimley
GVA Grimley. The amount arolwg o gyflwr pob un o
that we are planning to spend gampysau'r Coleg ar ein
next year in response to that rhan. Yr ydym yn bwriadu
condition survey—that is, in gwario £2 filiwn yn y
the first of the three years of flwyddyn nesaf—hynny yw,
the plan—is £2 million. So I yn y flwyddyn gyntaf o'r
think that I can reassure you cynllun tair blynedd—mewn
that while we would like to ymateb i'r arolwg cyflwr
spend more money more hwnnw. Felly credaf y gallaf
quickly, we will be investing eich sicrhau, er yr hoffem
a significant amount in wario mwy o arian yn gynt, y
trying to rebalance the byddwn yn buddsoddi swm
underinvestment—not just of sylweddol wrth geisio
last year, but of the past few gwrthbwysu'r tanwariant—
years. nid dim ond yn ystod y
llynedd, ond yn ystod yr
ychydig flynyddoedd
diwethaf.

[6] Janet Davies: I think that we are getting a feel for what it was like. Clearly, in that situation maintenance can slip and quite bad structural problems can develop after several years. However, we will leave that point. Geraint Davies has a question for you.

[6] Janet Davies: Credaf ein bod yn cael rhyw amcan o'r sefyllfa. Wrth gwrs, mae'n bosibl i'r gwaith cynnal a chadw ddirywio yn y sefyllfa honno a gall problemau strwythurol eithaf difrifol ddatblygu ar ôl nifer o flynyddoedd. Fodd bynnag, gadawn y pwynt hwnnw. Mae gan Geraint Davies gwestiwn ichi.

[7] Geraint Davies: Good morning. My question is to Mr Mason. The Treasury minute states the College has improved its procedure for managing and controlling the use of European funds and that the College is likely to restart running such courses shortly. Can you summarise

[7] Geraint Davies: Bore da. Mae gennyf gwestiwn i Mr Mason. Mae cofnod y Trysorlys yn dweud bod y Coleg wedi gwella ei weithdrefn ar gyfer rheoli'r defnydd o arian Ewropeaidd a bod y Coleg yn debygol o ailgychwyn cyrsiau o'r fath cyn bo hir. A allwch roi

the improved procedures and when do you expect to recommence European funded courses? Will the money go where it is intended to go?

crynodeb o'r gweithdrefnau gwell a phryd yr ydych yn running disgwyl ailgychwyn trefnu cyrsiau a ariennir gan Ewrop? A gaiff yr arian ei wario yn ôl y bwriad ar ei gyfer?

Mr Mason: I will contextualise my answer. I think that, because the amount of money involved in the European social fund payback has been so large, there has been a perception that the failure of the control systems in the area of the ESF money was different from the failure of controls in the rest of the College. I want to stress that it was the failure of the control mechanisms across the college generally that enabled

Mr Mason: Rhoddaf fy ateb yn ei gyd-destun. Credaf, am fod swm yr arian o dan sylw i'w ad-dalu i'r gronfa gymdeithasol Ewropeaidd mor sylweddol, y bu amgyffrediad bod y methiant yn y systemau rheoli ym maes arian y gronfa gymdeithasol Ewropeaidd yn wahanol i'r methiant i reoli yng ngweddill y Coleg. Hoffwn bwysleisio mai'r methiant yn y mecanweithiau rheoli ar draws y coleg yn gyffredinol a alluogodd bobl i

people to do what they did wneud yr hyn a wnaethant
and led to the money being gan arwain at geisiadau am
claimed from the European arian gan y gronfa
social fund. It is very gymdeithasol Ewropeaidd.
important to understand Mae'n bwysig iawn deall
that. It was not that the hynny. Nid bod arian y
European social fund money gronfa gymdeithasol
was in any way different Ewropeaidd yn wahanol
from any other money. If we mewn unrhyw ffordd i
receive money from the unrhyw arian arall. Os y
training and enterprise derbyniwn arian gan y
council, it is audited in cyngor hyfforddiant a
exactly the same way as the menter, caiff ei archwilio'n
money from the funding union yn yr un modd â'r
council. arian gan y cyngor cyllido.

One thing that I want to Un peth yr hoffwn ei
stress is that the ESF debacle bwysleisio yw bod helynt y
is evidence of the lack of gronfa gymdeithasol
control systems in the college. Ewropeaidd yn amlygu'r
What we have done is put in diffyg systemau rheoli yn y
some very tight control coleg. Yr hyn yr ydym wedi
systems in the financial area ei wneud yw rhoi rhai
across the college. In a sense, systemau rheoli llym iawn ar

we do not differentiate waith yn y maes ariannol ar
 between the controls on the draws y coleg. Ar un olwg,
 spending of European social nid ydym yn gwahaniaethu
 fund money and those on any rhwng y rheolaethau yn
 other money that we receive. ymwneud â gwario arian y
 It is all money coming into gronfa gymdeithasol
 the college that has to be Ewropeaidd a'r rheini sydd
 accounted for and spent yn ymwneud ag unrhyw
 appropriately. I think that I arian arall yr ydym yn ei
 can reassure you that if, or dderbyn. Mae i gyd yn arian
 rather when, we move back a ddaw i mewn i'r Coleg y
 into work with European mae'n rhaid cyfrifo ar ei
 social funding, the control gyfer a'i wario'n briodol.
 mechanisms that we have Credaf y gallaf eich sicrhau,
 established in the college— os neu, yn hytrach, pan
 and I am happy to expand on fyddwn yn ailgydio yn y
 that if you want me to—will gwaith â chyllid cymdeithasol
 apply as much to the money Ewropeaidd, y bydd y
 coming in from the European mecanweithiau rheoli a
 social fund as to any other sefydlwyd gennym yn y
 money coming into the coleg—ac yr wyf yn fodlon
 college. It was a failure of ymhelaethu ar hynny os
 controls in the financial area, dymunwch—yr un mor
 not just a failure of controls berthnasol ar gyfer yr arian
 in the area of European sydd yn dod o'r gronfa

social fund.

gymdeithasol Ewropeaidd ag
ar gyfer unrhyw arian arall
sydd yn dod i mewn i'r coleg.
Methiant rheolaethau yn y
maes ariannol ydoedd, nid
dim ond methiant
rheolaethau ym maes y
gronfa gymdeithasol
Ewropeaidd.

[8] Geraint Davies: You say that you now have extra controls. Have these controls been approved by the funding council and are you confident—and perhaps you could expand upon them, as you offered to do—that this will not happen again?

[8] Geraint Davies: Dywedwch fod gennych reolaethau ychwanegol bellach. A yw'r cyngor cyllido wedi cymeradwyo'r rheolaethau hyn ac a ydych yn hyderus—ac efallai y gallech ymhelaethu arnynt, gan eich bod wedi cynnig gwneud hynny—y gallwch sicrhau na fydd hyn yn digwydd eto?

Mr Mason: Several parties

Mr Mason: Mae sawl parti

have been involved. First of all, we have a completely new internal committee structure in the college for the governors. There is a finance committee. So there are governance controls where the executive is, if you like, called to account for what is going on. We also have the internal and external auditors, obviously. However, more important are the internal controls that we are putting in place in the college.

wedi bod ynghlwm wrth hyn. Yn gyntaf oll, mae gan y coleg strwythur pwyllgorau mewnol cwbl newydd i'r llywodraethwyr. Mae gennym bwyllgor cyllid. Felly, ceir rheolaethau pan fydd y pwyllgor gweithredol, fel petai, yn atebol ar gyfer yr hyn sydd yn digwydd. Mae gennym hefyd yr archwilwyr mewnol ac allanol, wrth gwrs. Fodd bynnag, yn bwysicach na'r rhain yw'r rheolaethau mewnol yr ydym yn eu rhoi ar waith yn y coleg.

It is difficult in an environment like this to give you examples of how bad some of the controls were. For instance, if you look at

Mae'n anodd mewn amgylchedd fel hwn i roi enghreifftiau ichi o ba mor wael yr oedd rhai o'r rheolaethau. Er enghraifft, os

the training shop area, where ystyriwch faes y siop
the European social fund hyfforddi, a oedd yn derbyn
money was coming in, there arian o'r gronfa
is a comment in the NAO gymdeithasol Ewropeaidd,
report about staff being ceir sylw yn adroddiad y
appointed without that being Swyddfa Archwilio
approved. That would be an Genedlaethol ynghylch staff
example of a control failing. yn cael eu penodi heb fod
That could not happen now. hynny'n cael ei gymeradwyo.
A person cannot get onto the Byddai honno'n enghraifft o
payroll if the appointment is reolaeth yn methu. Ni allai
not approved at the hynny ddigwydd yn awr. Ni
appropriate level. all person fynd ar y gyflogres
oni chaiff y penodiad ei
gymeradwyo ar y lefel
briodol.

We have a monthly financial Mae gennym system cofnodi
reporting system where we ariannol fisol pan fyddwn yn
monitor financial progress monitro'r cynnydd ariannol
against targets. As you will yn erbyn targedau. Fel y
be aware, we are, basically, gwyddoch, yr ydym, felly, yn
checking the whole time. The gwirio drwy'r amser. Y ddau
two things that we have put beth pwysig yr ydym wedi eu

astonishing, but for about anhygoel, ond am tua naw
nine months Andrew Bevan, mis, yr oedd Andrew Bevan,
my finance director, fy nghyfarwyddwr cyllid, yn
approved every single cymeradwyo pob archeb
purchase requisition in the brynu yn y coleg. Yn ystod y
college. During that survival cyfnod goroesi hwnnw, nid
phase we did not allow any oeddem yn caniatáu i
money to be spent without unrhyw arian gael ei wario
Andrew's personal approval. heb gymeradwyaeth bersonol
That certainly slowed things Andrew. Yn sicr, arafodd
down for the business, but it hynny bethau ar gyfer y
also stopped us from busnes, ond, hefyd, ataliodd
spending a lot of money on ni rhag gwario llawer o arian
items that were not ar eitemau nad oeddent yn
absolutely essential during gwbl hanfodol yn ystod y
that survival year. flwyddyn oroesi honno.

So I think that I can reassure Felly credaf y gallaf
you about the sort of controls dawelu'ch meddwl ynglyn
that we have put in place. In â'r mathau o reolaethau yr
answer to your question on ydym wedi eu rhoi yn eu lle. I
whether they have been ateb eich cwestiwn a ydynt
approved, in a sense, I would wedi cael eu cymeradwyo, ar
have to defer to Steve Martin un ystyr, byddai'n rhaid imi

on that. However, certainly ildio i farn Steve Martin ar
in our internal audit reports, hynny. Fodd bynnag, yn sicr
the categorisation of our yn ein hadroddiadau
internal audit controls have archwilio mewnol, mae
lifted dramatically. The 4Cs categoreiddiad ein
that we were getting have rheolaethau archwilio
gone up to 2As and so on. mewnol wedi codi'n
There is a lot of evidence to sylweddol. Mae'r graddau
give us confidence. Having 4C yr oeddem yn eu cael
said that, I think that the wedi codi i raddau 2A ac ati.
danger is, as you begin to get Mae llawer o dystiolaeth
confident, you have to guard sydd yn rhoi hyder inni.
against complacency slipping Wedi dweud hynny, wrth
in. We are still very vigilant. ichi ddechrau magu hyder,
credaf fod yn rhaid ichi wyllo
rhag bod yn hunanfodlon. Yr
ydym yn wyliadwrus iawn o
hyd.

[9] Geraint Davies: I [9] Geraint Davies: Deallaf
understand that the funding fod y cyngor cyllido wedi
council has given you new rhoi arweiniad newydd ichi.
guidance. How does that Ym mha ffordd y mae'r
guidance differ from that you arweiniad hwnnw yn

had previously?

**wahanol i'r hyn a gawsoch
yn y gorffennol?**

**Mr Mason: Is this the
guidance in relation to
European social funding?**

**Mr Mason: Ai'r arweiniad
ynghylch y gronfa
gymdeithasol Ewropeaidd yw
hwn?**

[10] Geraint Davies: Yes.

[10] Geraint Davies: Ie.

Mr Mason: You need to understand that for the last two or more years, we have not been directly involved in any European social funding project. Therefore, in a sense, the guidance in that area has not been a high priority for us. We have put an absolute stop on any European social fund involvement and, as we said to the Public Accounts Committee, we are now

Mr Mason: Mae angen ichi ddeall nad ydym wedi bod yn ymwneud yn uniongyrchol ag unrhyw brosiect a ariennir drwy'r gronfa gymdeithasol Ewropeaidd yn ystod y ddwy flynedd diwethaf neu fwy. Felly, ar un olwg, nid yw'r arweiniad yn y maes hwnnw wedi bod yn flaenoriaeth uchel inni. Yr ydym wedi rhoi'r gorau i wneud ceisiadau i'r gronfa

planning to move back into that area. I stress the word 'planning'. We feel that it is important to pursue the agendas that the Assembly is pursuing, particularly in terms of Objective 1 funding. A college of our size and importance should get back into that area. What we plan to do is appoint two specialist people to the college to help us with that transition back into European social funding.

gymdeithasol Ewropeaidd yn gyfan gwbl ac, fel y dywedasom wrth y Pwyllgor Cyfrifon Cyhoeddus, yr ydym yn awr yn bwriadu symud yn ôl i'r maes hwnnw. Pwysleisiaf y gair 'bwriadu'. Teimlwn ei bod yn bwysig dilyn yr agendâu y mae'r Cynulliad yn eu dilyn, yn enwedig o ran cyllid Amcan 1. Dylai coleg o'n maint a'n pwysigrwydd ni ddychwelyd i'r maes hwnnw. Ein bwriad yw penodi dau berson arbenigol i'r coleg i'n helpu i ailgydio yn y cyllid cymdeithasol Ewropeaidd.

[11] Geraint Davies: I have a question for Mr Shortridge on monitoring further education colleges in Wales and, in particular, their use

[11] Geraint Davies: Mae gennyf gwestiwn i Mr Shortridge ynglyn â monitro colegau addysg bellach yng Nghymru ac, yn benodol, eu

of European social fund defnydd o incwm y gronfa
income. What form does this gymdeithasol Ewropeaidd.
monitoring take and are you Sut fath o fonitro yw hwn ac
satisfied that all European a ydych yn fodlon y gwneir
funding is being properly ceisiadau yn y dull cywir am
applied for in this sector? Do yr holl gyllid Ewropeaidd yn
you think that you have had y sector hwn? A gredwch bod
a hands-off approach in the gennyh, yn y gorffennol,
past and that we have paid ymagwedd peidio-ag-
dearly for that? ymyrryd a'n bod wedi talu'n
haltt oherwydd hynny?

Mr Shortridge: In terms of Mr Shortridge: O ran y
financial monitoring, I look monitro ariannol, edrychaf
to the funding council for ar y cyngor cyllido i wneud
that and I seek my assurance hynny a cheisiaf sicrwydd
from it and from the panoply ganddo a chan yr
of auditing that goes on amrywiaeth o archwiliadau
around that. On European sydd yn cael eu cynnal yn y
social funds, I make the point maes hwnnw. Ynglyn ag
that—this is not in any way arian y gronfa gymdeithasol
an excuse—as you know, the Ewropeaidd, nodaf—ac nid
accountability for European esgus yw hwn o gwbl—fel y
social funds does not come gwyddoch, mai'r Adran

through me but through the Department for Education and Employment. So I do not have a personal responsibility for that, as it happens. On the other hand, I clearly do have a personal responsibility for ensuring that the financial control systems across the sector are fit for purpose. In the light of what has happened as a result of the terrible events at Gwent Tertiary College, I have a significant degree of assurance that things are now much better. However, as Mr Martin will be able to tell you, if Coleg Gwent is not quite still in intensive care, it is certainly still being looked at very carefully. There is not total confidence that the college's financial systems and its financial health are

Addysg a Chyflogaeth sydd yn atebol am arian y gronfa gymdeithasol Ewropeaidd ac nid myfi. Felly nid oes gennyf gyfrifoldeb personol am hynny, fel mae'n digwydd. Ar y llaw arall, yn ddiau mae gennyf gyfrifoldeb personol am sicrhau bod y systemau rheoli ariannol ar draws y sector yn addas at eu diben. Yng ngolenui'r hyn sydd wedi digwydd o ganlyniad i'r digwyddiadau ofnadwy yng Ngholeg Trydyddol Gwent, yr wyf yn weddol ffyddiog bod pethau bellach yn llawer gwell. Fodd bynnag, fel y gall Mr Martin ddweud wrthy, er nad oes angen gofal dwys fel petai ar Goleg Gwent bellach, yn sicr mae'n cael ei wylio'n ofalus iawn o hyd. Nid ydym yn gwbl ffyddiog bod systemau ariannol y

yet sufficiently robust.

coleg a'i iechyd ariannol yn
ddigon cadarn o hyd.

[12] Geraint Davies: Are you happy in view of the fact that the amount of money from Europe will be greatly increased? Is it possible that the same situation will occur in other colleges because of lack of monitoring at the Assembly level?

[12] Geraint Davies: A ydych yn fodlon o ystyried y bydd swm yr arian gan Ewrop yn cynyddu'n sylweddol? A yw'n bosibl y bydd yr un sefyllfa yn codi mewn colegau eraill oherwydd bod diffyg monitro ar lefel y Cynulliad?

Mr Shortridge: I do not think that it is a matter of lack of monitoring at the Assembly level. It is for the colleges themselves to have the systems in place and then for the funding council, in its financial relationship with the colleges, to be satisfied. My present view is that the very hard lessons have been

Mr Shortridge: Ni chredaf mai mater o ddiffyg monitro ar lefel y Cynulliad ydyw. Y colegau eu hunain sydd yn gyfrifol am roi systemau ar waith ac wedyn mae cyfrifoldeb ar y cyngor yn ei berthynas ariannol â'r colegau, i fodloni ei hun ynghylch hyn. Fy marn bresennol yw fod Coleg

learnt by Coleg Gwent but Gwent wedi dysgu'r gwersi
 that we are still in the anodd iawn, ond ein bod yn
 process of ensuring that dal yn y broses o sicrhau bod
 sufficiently robust systems systemau a gweithdrefnau
 and procedures are in place digon cadarn ar waith i atal
 to prevent any sort of hyn rhag digwydd eto. Nid
 recurrence. I am not talking wyf yn siarad am hyn yn
 about a recurrence on the digwydd eto ar yr un raddfa.
 same scale. I am always Yr wyf yn gofyn o hyd am
 looking for near absolute sicrwydd llwyr bron. Credaf
 assurances. I think that Mr y bydd Mr Martin yn gallu
 Martin will be able to dweud wrthyhch fod tipyn o
 indicate to you that, on the waith i'w wneud o hyd o ran
 close monitoring of the monitro iechyd ariannol
 financial health of the colegau Cymru yn fanwl.
 colleges in Wales, there is
 still a way to go.

[13] Janet Davies: Geraint [13] Janet Davies: Mae
 wants to go on to Objective 1, Geraint am symud ymlaen at
 but I will just bring Dafydd Amcan 1, ond hoffwn adael i
 and Jane in first. Dafydd a Jane siarad yn
 gyntaf.

[14] Dafydd Wigley: Yr wyf [14] Dafydd Wigley: I am

yn ddiolchgar iawn very grateful because I would
 oherwydd hoffwn ddod i like to come in on the exact
 mewn ar yr union bwynt yr point to which Jon
 oedd Jon Shortridge yn Shortridge referred in his
 cyfeirio ato yn ei ateb i answer to Geraint, namely,
 Geraint, sef ymhle y mae where does political
 atebolrwydd gwleidyddol yn accountability rest in these
 aros yn y materion hyn? matters? It is obvious that
 Mae'n amlwg fod y saga hon this saga is one of the darkest
 yn un o'r penodau mwyaf chapters in our recent
 tywyll yn ein hanes diweddar history in terms of lack of
 o safbwynt diffyg rheolaeth budgetary control in Wales.
 gyllidol yng Nghymru. Mae'n This must be a matter for
 rhaid iddo fod yn fater yr which we all share
 ydym i gyd yn rhannu responsibility and we are
 cyfrifoldeb amdano ac yn determined will not happen
 benderfynol na fydd yn again. I note with great
 digwydd eto. Nodaf â interest what you said: that
 diddordeb mawr yr hyn a responsibility for matters
 ddywedasoch: nad gennyhych relating to European funding
 chi yr oedd y cyfrifoldeb dros did not lie with you but with
 y materion yn ymwneud ag the Department for
 arian Ewropeaidd ond gan yr Education and Employment,
 Adran Addysg a but that other responsibility
 Chyflogaeth, ond bod for the operation of the

cyfrifoldeb arall dros funding council lies with you.
weithrediad y cyngor cyllido
gyda chi.

Mae'r cyngor cyllido felly yn Therefore, the funding
rhannol atebol i chi ac yn council is partly accountable
rhannol atebol i'r Adran to you and partly
Addysg a Chyflogaeth ar accountable to DfEE on such
fater fel hyn. Mae'n fy nharo a matter. This situation
bod y sefyllfa hon yn strikes me as unacceptable if
anfoddhaol os yr ydym am we are to get full control
gael rheolaeth lawn o fewn y within the Assembly of the
Cynulliad ar y sector addysg higher and further education
uwch a phellach yng sector. I would appreciate
Nghymru. Byddai'n dda your comments on how we
gennyf gael eich sylwadau ar can improve the situation.
sut y gallwn wella'r sefyllfa.

Mr Shortridge: I am in no way Mr Shortridge: Nid wyf yn
evading personal ceisio osgoi cyfrifoldeb
responsibility for the personol dros atebolrwydd
financial accountability of ariannol materion o gwbl. O
matters. In terms of where safbwynt fy atebolrwydd, yr

my accountability does lie, I wyf yn atebol dros wariant y
 have accountability for the gronfa datblygu rhanbarthol
 expenditure of the European Ewropeaidd ond nid am y
 regional development fund gronfa gymdeithasol
 but not for ESF. What was Ewropeaidd. Beth oedd eich
 your main point again, prif bwynt eto, os gwelwch
 please? yn dda?

[15] Dafydd Wigley: Y [15] Dafydd Wigley: The
 cwestiwn yr wyf yn ceisio question to which I am trying
 cael ateb iddo yw, os ydych to get an answer is, if you are
 yn gyfrifol am rai rhannau o responsible for some parts of
 weithgareddau'r sector hwn this sector's activities and
 a rhai o'r cyfrifoldebau some of the budgetary
 cyllidol ond nid rhai eraill— responsibilities but not
 ac yn amlwg mae'r cyfan yn others—and obviously all
 gwau i'w gilydd o safbwynt this interrelates in terms of
 gweithrediad unrhyw goleg, the operation of any college,
 Coleg Gwent yn y cyd-destun Coleg Gwent in this
 hwn—onid ydych yn teimlo y context—do you not think
 byddai'n gwneud llawer mwy that it would make much
 o synnwyr i chi gael y more sense for you to have
 cyfrifoldeb i gyd a bod y all the responsibility and for
 cyngor cyllido yn atebol i chi the funding council to be

yn gyfan gwbl am y accountable to you for these
cyfrifoldebau hyn? responsibilities?

Mr Shortridge: I would be Mr Shortridge: Byddwn yn
much more comfortable if llawer mwy cyfforddus pe
that were the case but, bai hynny'n digwydd, ond
having said that, to an extent wedi dweud hynny, ceir
there is a false distinction. I gwahaniaethu camarweiniol i
would expect the systems of raddau. Byddwn yn disgwyl
control, monitoring and i'r systemau rheoli, monitro
assurance for all the a sicrwydd ar gyfer holl
expenditure of the college or wariant colegau a
institutions in the sector to be sefydliadau yn y sector fod
of the same high standard. I o'r un safon uchel. Byddwn
would be very surprised if yn synnu'n fawr pe bai
there were different safonau gwahanol yn bodoli
standards operating in the ar gyfer y gronfa
case of European social fund gymdeithasol Ewropeaidd i
from those in the case of safonau'r gronfa datblygu
European regional rhanbarthol Ewropeaidd, er
development fund, for enghraifft. Felly er fy mod yn
example. So although I felt teimlo y dylwn wneud y
that I should make the point, pwynt, eto i gyd nid wyf o'r
nonetheless I do not think farn ei fod yn bwynt

that it is a substantive point perthnasol yn y cyd-destun
in this context. I need to be hwn. Mae angen i mi fodloni
sufficiently satisfied that the fy hun bod yr arian
public funds that find their cyhoeddus y mae'r
way into further education sefydliadau addysg bellach
institutions, from whatever yn ei dderbyn, waeth beth
source, are being properly fo'r ffynhonnell, yn cael ei
accounted for, properly used gyfrifo'n briodol, ei
and properly monitored. ddefnyddio'n briodol a'i
fonitro'n briodol.

[16] Jane Davidson: This is an [16] Jane Davidson: Mae hyn
extension of the same point yn ymhelaethu ar yr un
because following pwynt gan fod colegau'n
incorporation, colleges are mynd yn fusnesau preifat ar
private businesses. I want to ôl ymgorffori. Hoffwn ofyn
ask you about whether or not ichi a allai'r helynt a gafwyd
the debacle that we have seen yng Ngwent fod wedi
in Gwent could have digwydd pe bai gennym
happened if we still had had reolaeth ddemocrataidd
democratic control through drwy'r awdurdodau addysg
the local education lleol o hyd ac, felly,
authorities and, therefore, atebolrwydd i'r Cynulliad.
accountability to the

Assembly.

Mr Shortridge: It is a Mr Shortridge: Mae'n
hypothetical question. Can I gwestiwn damcaniaethol. A
answer it in this way? I think gaf ei ateb yn y modd hwn?
that, when the further Credaf, pan sefydlwyd y
education institutions were sefydliadau addysg bellach
set up as independent self- fel cyrff annibynnol hunan-
governing bodies, the climate lywodraethol, mai'r teimlad
at the time was that— ar y pryd—yn sicr o ran
certainly as far as central Llywodraeth ganolog—oedd
Government was na ddylai'r Swyddfa
concerned—the Welsh Office Gymreig ymyrryd o ran eu
should have a hands-off goruchwyllo a'u
approach to their oversight llywodraethu. Yr ethos oedd
and governance. The ethos y dylent gael eu sefydlu'n
was that they were to be gyrff annibynnol cryf gyda
established as strong chynrychiolaeth gan
independent bodies with fusnesau lleol a chymunedau
representation from local lleol ac nad cyfrifoldeb y
businesses and local sector cyhoeddus oedd ceisio
communities and it was not rhagweld. Yng ngoleuni'r
for the public sector to hyn a ddigwyddodd yng
second guess. In the light of Ngholeg Gwent ac mewn

the events at Coleg Gwent and elsewhere, it has been shown that that assumption was not the right one. It is as a consequence of that that we have progressively seen all these additional controls, arrangements and procedures put in place to provide the level of assurance that I and the Members need that these bodies are being properly managed and run. I do not think that I want to speculate on whether this could have happened if they had all remained within the local government sector. The point that I have made is clear. For a combination of reasons, there was not a sufficient understanding and appreciation of the risks associated with the sort of arrangements that were

mannau eraill, profwyd nad oedd y dybiaeth honno yn un gywir. O ganlyniad i hynny yr ydym wedi gweld yr holl reolaethau, trefniadau a gweithdrefnau ychwanegol hyn yn cael eu rhoi yn eu lle yn raddol i roi lefel y sicrwydd y mae ei hangen arnaf a'r Aelodau bod y cyrff hyn yn cael eu rheoli a'u rhedeg yn briodol. Ni chredaf fy mod am ddyfalu a allai hyn fod wedi digwydd pe baent hwy oll wedi aros o fewn y sector llywodraeth leol. Mae'r pwynt a wneuthum yn glir. Oherwydd cyfuniad o resymau, ni chafodd y risgiau sydd yn gysylltiedig â threfniadau o'r fath a sefydlwyd yn ôl yn 1993 eu ddigon. Ers hynny yr ydym

established back in 1993. wedi bod yn ceisio rheoli'r
 Ever since then we have been risgiau hynny mewn modd
 seeking to manage those risks priodol heb danseilio'n llwyr
 in an appropriate way natur annibynnol y cyrff ar
 without at the same time yr un pryd.
 totally undermining the
 independent nature of the
 bodies.

[17] Brian Gibbons: At a [17] Brian Gibbons: Mewn
 previous hearing in relation gwrandawriad blaenorol ar y
 to the health service, it was gwasanaeth iechyd,
 argued that some of the dadleuwyd mai diffyg
 problems that the health cyfeiriad strategol a methiant
 service had were a lack of i gadw pethau ynghyd, fel
 strategic direction and a lack petai, oedd rhai o
 of holding the centre of the broblemau'r gwasanaeth
 ring, as it were. I think that, iechyd. Credaf eich bod wedi
 in your answer, you have dweud, fwy neu lai, yn eich
 more or less said that this ateb mai hyn a gyfrannodd
 contributed to the Welsh tuag at fethiant y Swyddfa
 Office's failure in this Gymreig yn yr achos hwn a
 instance and that there was a bod barn strategol y dylai'r
 strategic view that the Welsh Swyddfa Gymreig beidio ag

Office should not have this ymyrryd. A fydddech yn hands-on approach. Would cytuno mai rhyw fath o you agree that there was a gamsyniad sylfaenol o ran sort of systematic strategic polisi strategol oedd caniatáu policy error in allowing this y fath annibyniaeth a degree of autonomy and chyfrifoldeb datganoledig, devolved responsibility, sydd wedi arwain at nifer o which has led to a number of argyfyngau gan gynnwys yr crises including this one? un dan sylw?

Mr Shortridge: With the Mr Shortridge: Wrth edrych benefit of hindsight, the yn ôl, yr oedd y procedures and systems that gweithdrefnau a'r systemau were put in place following a roddwyd yn eu lle yn sgîl the establishment of these sefydlu'r cyrff hyn fel bodies as self-governing sefydliadau hunan-institutions in 1993 were lywodraethol yn 1993 yn inadequate to deal with the annigonol i ddelio â'r math o sorts of events that occurred ddigwyddiadau a gafwyd yng at Coleg Gwent—either, in Ngholeg Gwent—naill ai, yn the first place, to prevent y lle cyntaf i'w hatal neu, them or, once they had unwaith iddynt ddigwydd, eu happened, to identify them nodi'n gyflym a'u rheoli. quickly and bring them Cytunaf â hynny.

under control. I do agree with that.

[18] Geraint Davies: We have the great opportunity of Objective 1. No doubt you will be trying to capitalise on that because training is a major factor in the Objective 1 programme. Have your plans in the college to benefit from Objective 1 been hindered by your experiences with the training shop, and will it have an adverse effect on the people who will be trained in Gwent in the future?

[18] Geraint Davies: Mae Amcan 1 yn gyfle gwych inni. Yn ddiau, byddwch yn ceisio manteisio ar hynny gan fod hyfforddiant yn ffactor o bwys yn y rhaglen Amcan 1. A yw eich profiadau o ran y siop hyfforddi wedi llesteirio'ch cynlluniau yn y coleg i elwa ar Amcan 1, ac a fydd yn cael effaith andwyol ar y bobl a gaiff eu hyfforddi yng Ngholeg Gwent yn y dyfodol?

Mr Mason: No, I do not think so, in the sense that already the embryo community consortia for education and training are beginning to

Mr Mason: Na fydd, yn fy marn i, yn yr ystyr bod yr egin-gonsortia cymunedol ar gyfer addysg a hyfforddiant yn dechrau datblygu. Yr

develop. We are, for instance, ydym, er enghraifft, mewn
 in a partnership with partneriaeth â Chyngor
 Newport County Borough Bwrdeistref Sirol
 Council. We are also in a Casnewydd. Y mae gennym
 strong partnership in bartneriaeth gadarn â
 Caerphilly and in Torfaen. Chaerffili a Thor-faen yn
 One of the things that, in a ogystal. Un o'r pethau yr
 sense, we are modest enough ydym yn ddigon diymhongar
 to accept is that there are a i'w dderbyn, fel petai, yw
 lot of people with whom we bod gan lawer o bobl yr
 are in partnership who have ydym mewn partneriaeth â
 had a lot of experience in the hwy brofiad helaeth ym maes
 ESF area. As I say, we are cronfa gymdeithasol Ewrop.
 confident that our control Fel y dywedais, yr ydym yn
 mechanisms and the ffyddiog y bydd ein
 monitoring procedures that mecanweithiau rheoli a'r
 we have in the college will gweithdrefnau monitro sydd
 enable us, with confidence, to gennym yn y coleg yn ein
 become involved in those galluogi i gymryd rhan yn y
 partnerships. I do not think partneriaethau hynny yn
 that it will inhibit us. I think hyderus. Ni chredaf y bydd
 that it has been a shame that, yn ein llesteirio. Credaf y
 for two to three years, we bu'n drueni fod yn rhaid inni
 have had to withdraw. We dynnu'n ôl ers dwy neu dair
 took a view, and I advised the blynedd. Daethom i'r

governors, that until this casgliad, a chynghorais y
thing was settled and we llywodraethwyr, y byddai
were confident that we could gwneud unrhyw waith arall a
put our hand on our hearts ariennir drwy'r gronfa
and say that we had sorted it, gymdeithasol Ewropeaidd yn
it would be very high risk to beryglus iawn nes inni
do any more ESF-funded ddatrys y mater hwn a'n bod
work. yn hyderus ein bod yn gallu

dweud, a hynny'n gwbl
ddiffuant, ein bod wedi ei
ddatrys.

That decision was perhaps Roedd rhai pobl yn
criticised by some people beirniadu'r penderfyniad
because they feel that we hwnnw o bosibl am eu bod
have fallen a little behind the o'r farn ein bod ychydig ar ei
drag curve. However, looking hôl hi. Fodd bynnag, gan
positively to the future, I edrych i'r dyfodol yn
think that going back into gadarnhaol, credaf fod
ESF-funded work with that dychwelyd at waith ar
sort of confidence—that we ariennir drwy'r gronfa
can control and monitor and gymdeithasol Ewropeaidd
ensure that the funds are gyda'r math hwnnw o
appropriately used—is a very hyder—ein bod yn gallu
good starting point. We can rheoli a monitro a sicrhau

begin to develop with our partners the kind of training programmes to which you refer.

bod yr arian yn cael ei ddefnyddio'n briodol—yn fan cychwyn da iawn. Gallwn ddechrau datblygu'r math o raglenni hyfforddi y cyfeiriasoch atynt gyda'nartneriaid.

[19] Geraint Davies: Do you have schemes ready to go?

[19] Geraint Davies: A oes gennych gynlluniau sydd yn barod?

Mr Mason: Not yet. However, there are embryo schemes developing with these partnership groups. There is a scheme beginning to develop in Newport, for instance, where we are looking at the possible establishment of a centre in the middle of the town that would be a 'learn-it' type

Mr Mason: Ddim eto. Fodd bynnag, mae egin-gynlluniau'n datblygu gyda'r grwpiau partneriaeth hyn. Mae cynllun yn dechrau datblygu yng Nghasnewydd, er enghraifft, lle yr ydym yn ystyried sefydlu canolfan yng nghanol y dref o bosibl a ganolfan 'ewch i ddysgu' o ran ei natur. Mae

centre. There are a number of embryo schemes developing but nothing firm on the stocks yet. Bear in mind that we have only really just begun to turn our attention to that. The big problem that the crisis has caused is that we have had to take our eye off some of the key strategic balls while we sorted out the crisis situation. We are now, in a sense, turning our attention back onto those strategic areas.

nifer o egin-gynlluniau'n datblygu ond nid oes unrhyw beth pendant gennym eto. Cofiwch mai newydd ddechrau ystyried hynny ydym mewn gwirionedd. Y broblem fawr a achoswyd gan yr argyfwng yw ein bod wedi methu â chanolbwyntio ar rai o'r agweddau strategol tra'r oeddem yn mynd i'r afael â'r sefyllfa argyfyngus. Yr ydym bellach, fel petai, yn troi'n sylw at y meysydd strategol hynny drachefn.

[20] Geraint Davies: So it has had an effect then because you have not been planning as you might have done if you had not had these problems?

[20] Geraint Davies: Felly mae wedi cael effaith am nad ydych wedi cynllunio fel y byddech wedi ei wneud efallai oni fyddai'r problemau hynny gennych?

Mr Mason: **Yes.**

Mr Mason: **Ydyw.**

[21] Geraint Davies: **When do you expect these plans to get off the stocks? Next year?** [21] Geraint Davies: **Pryd ydych yn disgwyl i'r cynlluniau hyn ddwyn ffrwyth? Y flwyddyn nesaf?**

Mr Mason: **Yes, next year.** Mr Mason: **Ie, y flwyddyn nesaf.** **Certainly, in our strategic and institutional planning for next year, we will be looking to build into those plans some fairly clearly identified European projects. As I say, our cautiousness is related to the fact that we want to ensure that these projects are in partnership with other people. We do not have any direct plans for specific projects in which the college is solely involved at this stage.** **Yn sicr, wrth gynllunio'n strategol a sefydliadol ar gyfer y flwyddyn nesaf, byddwn yn gobeithio cynnwys rhai prosiectau Ewropeaidd a nodwyd yn weddol glir yn y cynlluniau hynny. Fel y dywedais, yr ydym yn cymryd gofal am ein bod am sicrhau bod y prosiectau hyn mewn partneriaeth â phobl eraill. Ar hyn o bryd nid oes gennym unrhyw gynlluniau ar gyfer prosiectau penodol**

lle y bydd y coleg yn
gweithredu ar ei ben ei hun.

[22] Geraint Davies: This is [22] Geraint Davies: Dim ond
only for seven years. We am saith mlynedd y bydd yn
must get our act together. parhau. Mae'n rhaid inni
fynd ati.

Mr Mason: Yes, I understand Mr Mason: Oes, deallaf
that. hynny.

[23] Janet Davies: We will [23] Janet Davies: Byddwn yn
look now at the role and awr yn ystyried rôl a
performance of the college's pherfformiad uwch reolwyr y
senior management. Unlike coleg. Yn wahanol i Mrs
in the case of Mrs Parker, Parker, cafodd eich
your performance as perfformiad fel prifathro ei
principal was formally asesu'n ffurfiol ar ddiwedd y
assessed at the end of the cyfnod prawf. Pa mor aml y
probationary period. How caiff eich perfformiad
often is your ongoing parhaus fel prifathro ei
performance as principal asesu, pwy sydd yn cynnal yr
assessed, who performs that asesiad hwnnw a phwy sydd

assessment and who ratifies yn ei gadarnhau?
it?

Mr Mason: I suppose I would Mr Mason: Buaswn yn
argue that my performance, dadlau, mae'n debyg, fod y
given the history of Coleg llywodraethwyr yn cadw
Gwent, is being watched golwg eithaf manwl ar fy
fairly closely by the mherfformiad gan amlaf, o
governors most of the time. I ystyried hanes Coleg Gwent.
certainly get that feeling. In Yn sicr dyna'r teimlad sydd
formal terms, at the end of gennyf. O safbwynt ffurfiol,
my first six months, the ar ddiwedd fy chwe mis
chairman undertook a cyntaf, cynhaliodd y
formal interview—I suppose cadeirydd gyfweliad
that you would call it an ffurfiol—cyfweliad
appraisal interview. There gwerthuso y byddech yn ei
was a discussion in the alw, mae'n debyg. Cafwyd
governing body about how trafodaeth gan y corff
the governors felt my llywodraethu ar sut yr oedd y
performance was llywodraethwyr yn teimlo
progressing. They looked at ynglyn â'r cynnydd yn fy
the kind of indicators that mherfformiad. Ystyriasant y
were beginning to show math o ddangosyddion
through about the financial perfformiad a oedd yn

recovery and so on. My dechrau cael eu hamlygu o appointment was then safbwynt yr adfer ariannol confirmed. I stress that my ac ati. Wedi hynny, cafodd fy contract contained a clause mhenodiad ei gadarnhau. that stated that at the end of Hoffwn bwysleisio bod fy my probationary period, if nghontract yn cynnwys the governors were not cymal a oedd yn nodi bod y satisfied with my llywodraethwyr yn gallu fy performance, they could niswyddo ar ddiwedd fy dispense with my services. nghyfnod prawf os nad Fortunately, they did not. At oeddent yn fodlon ar fy the end of my first year in mherfformiad. Yn ffodus, ni post, another review was wnaethant hynny. Ar undertaken, again based on ddiwedd fy mlwyddyn gyntaf feedback from the chairman yn y swydd, cynhaliwyd to the corporation, where the arolwg arall, unwaith eto corporation again discussed wedi ei seilio ar adborth gan how I was doing. The y cadeirydd i'r gorfforaeth, corporation is now moving to lle y trafododd y gorfforaeth a position where it wants to sut yr oeddwn yn dod ymlaen formalise the procedure not unwaith eto. Mae'r only for myself, but for the gorfforaeth bellach yn symud other four senior post- i sefyllfa lle y mae am holders in the college—if you ffurfioli'r weithdrefn nid yn like, the four most senior unig i mi, ond i'r pedwar

directors in the college. uwch ddeiliad swydd yn y
 Certainly, the governors coleg—os mynnwch, y
 have taken fully on board the pedwar cyfarwyddwr uchaf
 concerns that have been eu statws yn y coleg. Yn
 expressed about this issue of bendant, mae'r
 monitoring the principal's llywodraethwyr wedi
 performance. I think that it ystyried yn llawn y pryderon
 is now moving towards a fynegwyd ynglyn â'r mater
 monitoring the performance hwn o fonitro perfformiad y
 of the whole of the senior prifathro. Credaf ei bod
 management team. bellach yn symud tuag at
 fonitro perfformiad yr uwch
 dîm rheoli cyfan.

[24] Janet Davies: Does that [24] Janet Davies: A yw
 go wider than the four senior hynny'n mynd ymhellach
 managers who are sat next to na'r pedwar uwch reolwr
 you? sydd yn eistedd wrth eich
 ochr?

Mr Mason: Again, I will lay Mr Mason Unwaith eto,
 my cards on the table, as they siaradaf yn gwbl ddi-flewyn
 say. ar dafod, fel y maent yn ei

ddweud.

During that crisis period, one of the things that the college lost, which we are very concerned about and which we are taking up again, was the whole issue of staff appraisals. That means not only performance appraisal but appraisal in terms of staff's development needs. One of the actions that we took during the survival year was—and I am sure that people will understand this—cutting the training budget for a year. We had no money for the training of staff at all. We could not afford it. I know that people will say that you cannot afford not to train staff but, for that crisis year, appraisals that used to

Yn ystod y cyfnod argyfwng hwnnw, un o'r pethau a gollodd y coleg, yr ydym yn poeni'n fawr amdano ac yn ailgydio ynddo unwaith eto, oedd yr holl fater o werthuso staff. Mae hynny'n golygu nid yn unig gwerthuso perfformiad ond gwerthuso anghenion datblygu'r staff. Un o'r camau a gymerasom yn ystod y flwyddyn oroesi—ac yr wyf yn siwr y bydd pobl yn deall hyn—oedd cwtogi ar y gyllideb hyfforddiant am flwyddyn. Nid oedd gennym arian ar gyfer hyfforddi staff o gwbl. Ni allem ei fforddio. Gwn y bydd pobl yn dweud na allwch fforddio peidio â hyfforddi staff ond, yn ystod y flwyddyn argyfwng honno,

happen three or four years ago just disappeared. We have been under too much pressure. What is happening, starting with myself and the senior team, is that we will gradually cascade an appraisal system right through the college. I stress, however, that we see appraisal more as a developmental tool rather than as being just about staff's performance.

di flannodd y gwerthusiadau a oedd yn arfer digwydd dair neu bedair blynedd yn ôl. Yr ydym wedi bod o dan ormod o bwysau. Yr hyn sydd yn digwydd, gan ddechrau gyda'r uwch dîm a minnau, yw y byddwn yn rhaeadru'r system werthuso drwy'r coleg yn raddol. Pwysleisiaf, fodd bynnag, ein bod yn ystyried gwerthuso fel modd i ddatblygu staff yn hytrach na phroses sydd yn ymwneud â pherfformiad staff yn unig.

[25] Janet Davies: Performance-related pay is flavour of the month in some sections of Government. Have you any plans to base staff pay on formal assessment? Do you think it would be a good idea?

[25] Janet Davies: Mae tâl ar sail perfformiad yn boblogaidd iawn mewn rhai rhannau o'r Llywodraeth ar hyn o bryd. A oes gennych unrhyw fwriad i seilio tâl staff ar asesiad ffurfiol? A gredwch y byddai'n syniad

da?

Mr Mason: I suppose it is a truism that, in a sense, all of the staff pay is performance-related because we are funded on how the college performs. We are funded on the student numbers that we attract and on the success that they achieve. That obviously directly reflects the staff's performance. I would argue that people get a bit hung up about performance-related pay and perhaps do not recognise that everyone is on it, in a sense, the whole time. We certainly have no plans whatsoever to introduce what I think that you mean by performance-related pay, where we tick boxes and give people extra

Mr Mason: Mae'n debyg ei bod yn wir dweud, ar un olwg, bod tâl y staff i gyd ar sail perfformiad gan ein bod yn cael ein cyllido ar sail perfformiad y coleg. Cawn ein cyllido yn ôl nifer y myfyrwyr a gaiff eu denu gennym ac ar eu llwyddiant hwy. Mae hynny, yn amlwg, yn adlewyrchiad uniongyrchol o berfformiad y staff. Byddwn yn dadlau bod pobl yn poeni'n ormodol am dâl ar sail perfformiad ac efallai nad ydynt yn sylweddoli bod pawb yn cael eu talu ar y sail honno, ar un olwg, drwy'r amser. Yn sicr nid oes gennym unrhyw gynlluniau o gwbl ar hyn o bryd i gyflwyno'r hyn y

money, at this stage in the college's development. You are probably aware that we have come through a very difficult industrial relations period in the college. The staff have been very demoralised and battered. I think that I could make a judgment that the last thing that they would want to hear is that we are about to implement a performance-related pay scheme.

credaf yr ydych yn ei olygu â thal ar sail perfformiad, lle yr ydym yn ticio blychau ac yn rhoi arian ychwanegol i bobl, yn y cyfnod hwn o ddatblygiad y coleg. Byddwch yn ymwybodol efallai ein bod wedi dod drwy gyfnod anodd iawn o ran cysylltiadau diwydiannol yn y coleg. Mae'r staff wedi bod yn ddigalon ac yn teimlo eu bod o dan y lach. Credaf y gallwn farnu mai'r peth olaf y byddent am ei glywed yw ein bod ar fin gweithredu cynllun tâl ar sail perfformiad.

[26] Janet Davies: Mr Martin, how many colleges have formal appraisal systems in place for their principals and other senior staff members?

[26] Janet Davies: Mr Martin, faint o golegau sydd â systemau gwerthuso ffurfiol ar waith ar gyfer eu prifathrawon ac aelodau

eraill o'r staff uwch?

Mr Martin: The majority of colleges now have systems in place. In May, the Association of Colleges issued a model contract that sets out the kind of things that should be in principals' contracts. That includes arrangements for appraisal, for probation periods and for their performance to be assessed. It is a continuing issue. We still have to ensure that every college is operating that guidance. It has only just been issued formally by the Association of Colleges. However, this also featured prominently as an issue that should be addressed in the governance and management development programme

Mr Martin: Mae gan y rhan fwyaf o'r colegau systemau ar waith bellach. Ym mis Mai, cyhoeddodd Cymdeithas y Colegau contract model sydd yn nodi'r math o bethau y dylid eu cynnwys yng nghontractau prifathrawon. Mae hynny'n cynnwys trefniadau ar gyfer gwerthusiadau, cyfnodau prawf ac ar gyfer asesu eu perfformiad. Mater parhaus ydyw. Mae'n rhaid inni sicrhau o hyd bod pob coleg yn gweithredu'r arweiniad hwnnw. Newydd ei gyhoeddi'n ffurfiol y mae gan Gymdeithas y Colegau. Fodd bynnag, yr oedd hyn hefyd yn fater amlwg y dylid

that we have been running over the past year. We will be looking, in our follow-up to that in the next phase, to ensure that all colleges are operating it.

rhoi sylw iddo yn y rhaglen datblygu llywodraethu a rheoli yr ydym wedi bod yn ei chynnal dros y flwyddyn ddiwethaf. Byddwn yn edrych, fel rhan o'n gwaith dilynol yn y cam nesaf, i sicrhau bod pob un o'r colegau yn ei weithredu.

[27] Janet Davies: Do you foresee any difficulty in getting all colleges on board on this?

[27] Janet Davies: A ydych yn rhagweld y bydd unrhyw anhawster wrth sicrhau bod pob un o'r colegau yn ymrwymo i hyn?

Mr Martin: I do not think so. You must understand that I have not lived through this. This is only my fourth week in post. All that I have heard is about a process that has happened. Some of it

Mr Martin: Ni chredaf y bydd. Mae'n rhaid ichi ddeall nad wyf wedi byw drwy hyn. Dim ond yn fy mhedwaredd wythnos yn y swydd yr wyf. Y cwbl yr wyf wedi ei glywed yw am broses

happened before the National Audit Office's report. It has been a developing process. I think that, as Jon Shortridge said, what we have moved from is a position where the funding council was monitoring financial health, was auditing and so on. It was doing those formal things but, basically, had a relationship with colleges that were independent and still are. The statutory position is that these are independent colleges. Now what has happened is that we have a partnership. There were always elements of that partnership but it is now a much more thorough-going partnership. Embedding that is something that I certainly want to do. That is what this programme is

sydd wedi digwydd. Digwyddodd rhan ohoni cyn adroddiad y Swyddfa Archwilio Genedlaethol. Bu'n broses a ddatblygodd. Credaf, fel y dywedodd Jon Shortridge, mai'r hyn y symudasom oddi wrthi oedd sefyllfa lle yr oedd y cyngor cyllido yn monitro iechyd ariannol, yn archwilio ac ati. Yr oedd yn gwneud y pethau ffurfiol hynny ond, yn y bôn, yr oedd ganddo berthynas â cholegau a oedd yn annibynnol ac sydd yn parhau i fod. Y sefyllfa statudol yw bod y rhain yn golegau annibynnol. Yr hyn sydd wedi digwydd yn awr yw bod gennym bartneriaeth. Yr oedd elfennau o'r bartneriaeth honno yn bodoli erioed ond mae'n bartneriaeth llawer mwy

already achieving. The direct answer to your question is that I think that almost all the proposed changes have been welcomed as a way of ensuring that the sector prospers and, to pick up an earlier point, and not least, helps the Assembly and Wales to make a success of matters such as Objective 1 funding.

trylwyr bellach. Yn bendant, bydd sefydlu hynny'n gryf yn rhywbeth y byddaf am ei wneud. Dyna beth y mae'r rhaglen hon yn ei gyflawni eisoed. Yr ateb uniongyrchol i'ch cwestiwn yw y credaf y croesawyd bron pob un o'r newidiadau arfaethedig fel modd i sicrhau bod y sector yn ffynnu ac, i ailgydio mewn pwynt a wnaethpwyd yn gynharach, yn bennaf, yn helpu'r Cynulliad a Chymru lwyddo gyda materion fel Amcan 1.

[28] Peter Black: My question is for Mr Mason. The Treasury minute notes that your college's audit committee now monitors closely the implementation of all audit recommendations

[28] Peter Black: Mae fy nghwestiwn i Mr Mason. Mae cofnod y Trysorlys yn nodi bod pwyllgor archwilio eich coleg bellach yn monitro'n agos y modd y caiff pob un o'r argymhellion

made to it. Can you tell us more about how the audit committee does this?

archwilio a wneir iddo eu gweithredu. A allwch ddweud rhagor wrthym ynglyn â'r modd y mae'r pwyllgor archwilio yn gwneud hyn?

Mr Mason: All internal audit reports, not just the executive summary, but the full report, go to the audit committee. The audit committee then reviews the report, and the management's actions and responses. The key thing that has been implemented, which again is part of improving the monitoring and control mechanisms in the college, is that the chairman of the audit committee and the clerk run a small computer database which, in very simple terms, keeps a track

Mr Mason: Caiff pob un o'r adroddiadau archwilio mewnol, nid y crynodeb gweithredol yn unig, ond yr adroddiad llawn, ei gyflwyno i'r pwyllgor archwilio. Yna mae'r pwyllgor archwilio yn arolygu'r adroddiad, a gweithredoedd ac ymatebion y rheolwyr. Y peth allweddol a weithredwyd, sydd unwaith eto yn rhan o'r broses o wella'r monitro a mecanweithiau rheoli yn y coleg, yw bod cadeirydd y pwyllgor archwilio a'r clerc yn cadw cronfa data

of all the outstanding actions. gyfrifiadurol fach sydd, yn
 For instance, if an action says syml iawn, yn cadw cofnod
 that management agrees to o'r holl weithredoedd sydd
 do something by a certain heb eu gwneud hyd yn hyn.
 date, that will go onto the Er enghraifft, os yw
 database. The audit gweithred yn datgan fod y
 committee will track if it has rheolwyr wedi cytuno i
 been done. More wneud rhywbeth erbyn
 importantly, bearing in mind dyddiad penodol, caiff
 earlier comments, it will hwnnw ei gofnodi yn y
 provide evidence that it has gronfa ddata. Bydd y
 been done. This is the key pwyllgor archwilio yn cadw
 thing. It is not willing to golwg i weld a yw wedi ei
 accept that the finance wneud. Yn bwysicach na
 director says, 'yes, that is hynny, o ystyried y sylwadau
 okay, we have done that'. cynharach, bydd yn darparu
 The committee wants actual tystiolaeth ei fod wedi'i
 evidence that we have done wneud. Dyma'r peth
 it. If things recur past their allweddol. Nid yw'n fodlon
 date, the audit committee derbyn bod y cyfarwyddwr
 then wants to know why we cyllid yn dweud, 'ie, mae
 have not addressed that hynny'n iawn, yr ydym wedi
 issue. Obviously, sometimes gwneud hynny'. Mae'r
 there are reasons for that pwyllgor eisiau tystiolaeth
 and it would then go back bendant ein bod wedi ei

onto the database.

wneud. Os digwydd pethau eto ar ôl eu dyddiad terfynol, wedyn bydd y pwyllgor archwilio am wybod pam nad ydym wedi ymdrin â'r mater hwnnw. Yn amlwg, weithiau mae rhesymau dros hynny ac yna byddai'n cael ei ailgofnodi yn y gronfa ddata.

I think that we have a pretty Credaf fod gennym broses much fail-safe process for the eithaf diogel i'r pwyllgor audit committee to track archwilio gadw golwg ar things. In the longer term, I bethau. Yn y tymor hwy, would hope that as hyderwn y bydd yn bosibl confidence builds, some of hepgor rhai o'r mân-faterion perhaps the less significant efallai sydd o fewn adroddiad issues in the internal audit yr archwilwyr mewnol o report may begin to come off agenda'r pwyllgor archwilio the audit committee's wrth i'r hyder dyfu. Ar hyn o agenda. At the moment we bryd yr ydym yn cynnal nifer have a lot of audit committee fawr o gyfarfodydd o'r meetings that are very long pwyllgor archwilio sydd yn and take up an awful lot of para am amser hir iawn ac

time. I think that I can again yn cymryd cryn dipyn o
 give you a fairly confident amser. Yr wyf o'r farn fy
 position on that process. mod yn gallu unwaith eto
 nodi sefyllfa eithaf cadarn yn
 y broses honno.

[29] Peter Black: Does the [29] Peter Black: A yw'r corff
 outcome of that monitoring llywodraethol llawn yn cael
 feed back to the full adborth o ganlyniadau'r
 governing body on a regular broses fonitro yn rheolaidd?
 basis?

Mr Mason: Yes. At each Mr Mason: Ydyw. Ymhob
 corporation meeting, the cyfarfod o'r gorfforaeth,
 corporation receives a report mae'r gorfforaeth yn cael
 from each of its committees, adroddiad gan bob un o'i
 one of which, of course, is the phwyllgorau, ac mae'r
 audit committee. Clearly, pwyllgor archwilio yn un
 given the history at Coleg ohonynt, wrth gwrs. Yn
 Gwent, there is obviously amlwg, gan ystyried hanes
 particular interest in the Coleg Gwent, mae diddordeb
 reports of the audit penodol wrth reswm yn
 committee. adroddiadau'r pwyllgor
 archwilio.

[30] Peter Black: Thank you. [30] Peter Black: Diolch yn The Treasury minute also fawr. Mae cofnod y Trysorlys states that the College has hefyd yn nodi bod y Coleg introduced improved wedi gwella'r trefniadau budgetary control rheoli cyllideb. A allech arrangements. Could you grynhoi prif elfennau'r summarise the key elements trefniadau newydd hyn i of these new budgetary reoli'r gyllideb a'r mesurau control arrangements and eraill yr ydych wedi eu other measures that you have cymryd i wella taken to improve the gweithdrefnau ariannol a college's financial procedures rheoli ariannol y coleg? and financial management?

Mr Mason: Yes. I think that Mr Mason: Gallwn. Hwn this was probably one of the oedd un o'r meysydd cyntaf first areas that we tackled inni fynd i'r afael ag ef yn shortly after I took over. The fuan ar ôl fy mhenodi, mi problem that we identified gredaf. Y broblem a nodwyd very early on was that the gennym yn gynnar iawn oedd processes that were being nad oedd y prosesau a used did not have those two ddefnyddiwyd yn meddu ar y fundamentals of control and ddau beth hanfodol hynny

monitoring.

sef rheoli a monitro.

First, I will discuss the budgeting process itself. We involve all budget managers in the development of the budget. We have moved away from 'last year plus 5 per cent' type budgeting. We now try to relate budgets to actual levels of activity. The strategic plan looks at what a particular area is planning to do and tries to identify the budget associated with that.

Yn gyntaf, trafodaf y broses gyllido ei hun. Yr ydym yn cynnwys pob un o'r rheolwyr cyllideb wrth ddatblygu'r gyllideb. Yr ydym wedi symud oddi ar y math o gyllidebu ar lun 'cyllideb y llynedd plws 5 y cant'. Yr ydym bellach yn ceisio cysylltu'r cyllidebau â lefelau gwirioneddol y gweithgaredd. Mae'r cynllun strategol yn ystyried yr hyn y mae maes penodol yn bwriadu ei wneud ac yn ceisio nodi'r gyllideb a fyddai'n gysylltiedig â hynny.

Having agreed the budget—the budget is obviously approved by the

Wedi cytuno ar y gyllideb—caiff ei chymeradwyo gan y gorfforaeth wrth gwrs—yr

corporation—we have a ydym yn cael adroddiad monthly management report, rheoli bob mis, sydd yn fanwl which is very detailed. It iawn. Dengys y cyfrif incwm shows the income and a gwariant, rhagolygon llif expenditure account, cash arian ac, yn bwysig iawn o flow predictions and, ystyried hanes Coleg Gwent, particularly important in y rhagolwg cyfredol ar gyfer terms of the history of Gwent y sefyllfa ar ddiwedd y College, the current forecast flwyddyn. Caiff y rhain eu for the end of the year llunio ar gyfer gwahanol position. Those are produced lefelau'r gyllideb. Yna mae at the various budget levels. aelodau'r adran gyllid yn Members of the finance cyfarfod â phob deiliad department then meet with cyllideb yn fisol. Mae'r each budget holder on a adroddiad yn cynnwys monthly basis. There is a dadansoddiad o'r variance analysis shown in amrywiannau a gofynnir i the report and the budget ddeiliad y gyllideb gyfrif am holder is asked to account for yr amrywiannau a chynnig variances and to give an cynllun gweithredu ynglyn action plan on what is going â'r hyn a fydd yn digwydd o to happen to those variances. safbwynt yr amrywiannau The finance committee of the hynny. Mae pwyllgor cyllid y corporation currently meets gorfforaeth yn cyfarfod yn monthly and reviews the fisol ar hyn o bryd gan

monthly management report. arolygu'r adroddiad rheoli
It then reports to each misol. Yna mae'n cyflwyno
meeting of the corporation adroddiad i bob cyfarfod o'r
on how the financial position gorfforaeth ar y sefyllfa
is looking. ariannol.

Another aspect that is Un o'r agweddau eraill sydd
particularly important is that yn hynod bwysig yw bod yn
if people wish to spend rhaid i unrhyw un sydd am
capital, for instance, they wario cyfalaf, er enghraifft,
have to put in a detailed gyflwyno achos busnes
business case which has to be manwl i'w gymeradwyo gan
approved through the y pwyllgor cyllid a'r
finance committee and the pwyllgor technegol
relevant technical committee, perthnasol, hynny yw, y
that is, the estates committee pwyllgor ystadau neu'r
or the human resources pwyllgor adnoddau dynol.
committee. I think that the Un o'r pethau allweddol yr
key thing that we are trying ydym yn ceisio ei gyflawni,
to do is to get managers to mi gredaf, yw sicrhau bod y
buy into the budgeting rheolwyr yn chwarae rhan
process. In the past, the yn y broses gyllidebu. Yn y
budget has been set by the gorffennol, y prifathro sydd
principal, people have been wedi pennu'r gyllideb, mae

given certain amounts of pobl wedi cael hyn a hyn o money and told to get on arian a dywedwyd wrthynt with it. We are trying to am fwrw ymlaen. Yr ydym make the budgeting process yn ceisio sicrhau bod y broses an integral part of the gyllidebu yn rhan annatod management process in the o'r broses reoli yn y coleg. Yr college. I think that we have ydym wedi gwneud tipyn gone some way to achieving tuag at gyflawni hynny. that.

[31] Peter Black: I can see [31] Peter Black: Gwelaf fod that that is quite important. hynny'n eithaf pwysig. Pan When you introduce any new fyddwch yn cyflwyno process like that, you unrhyw broses newydd o'r obviously have to train staff fath, mae'n rhaid hyfforddi'r and make sure that they fully staff wrth gwrs a sicrhau eu understand the systems and bod yn deall y systemau yn are properly implementing llawn ac yn eu gweithredu'n them. Given what you said gywir. O gofio'r hyn a previously about suspending ddywedasoch yn gynharach training and appraisal am ohirio gweithdrefnau procedures in the college, do hyfforddi a gwerthuso yn y you not feel that coleg, onid ydych o'r farn y reintroducing them should dylent gael eu hailgyflwyno now be a priority in relation fel mater o flaenoriaeth o

to the budgetary safbwynt y rheolaethau management controls as a rheoli cyllidebol fel y cam first step towards cyntaf tuag at eu cyflwyno ar introducing them across the draws y coleg cyfan? whole of the college?

Mr Mason: When I said that Mr Mason: Pan ddywedais we suspended the training ein bod wedi gohirio'r and development budget, gyllideb hyfforddi a that was in what we call the datblygu, yr oedd hynny yn survival year, which was last ystod y flwyddyn oroesi fel yr year, 1998-99. In the current oeddem yn ei galw, sef y year's budget, £200,000 was llynedd, 1998-99. Yng allocated for training and nghyllideb y flwyddyn development. I stress that for gyfredol, dyrannwyd a college of our size that is a £200,000 ar gyfer fairly modest amount. We hyfforddiant a datblygiad. have focused that £200,000 Pwysleisiaf mai swm eithaf on those sorts of issues. The bach yw hwnnw o ystyried other point, perhaps, to maint ein coleg. Yr ydym mention in terms of wedi clustnodi'r £200,000 budgeting and financial hwnnw i'r mathau hynny o management is that when I faterion. Y pwynt arall y arrived—I think that I am dylid cyfeirio ato, efallai, o right in saying this—the only safbwynt y rheoli cyllidebol

qualified accountant in the ac ariannol yw pan
 college, bearing in mind that gyrhaeddais—credaf fy mod
 we are talking about a yn gywir wrth ddweud hyn—
 business with a £40 million yr unig gyfrifydd cymwys yn
 turnover—was the then y coleg, o gofio ein bod yn
 finance director who was sôn am fusnes a chanddo
 working his redundancy drosiant o £40 miliwn—oedd
 notice. So in July 1998 we did y cyfarwyddwr cyllid bryd
 not have a qualified hynny a oedd yn gweithio ei
 accountant in the central rybudd diswyddo. Felly ym
 finance department of the mis Gorffennaf 1998 nid
 college. The new finance oedd gennym gyfrifydd
 director arrived in August cymwys yn adran gyllid
 and one of the first things ganolog y coleg.
 that we did was strengthen Cyrhaeddodd y cyfarwyddwr
 the financial department. We cyllid newydd ym mis Awst
 now have three qualified ac un o'r pethau cyntaf a
 accountants. So there have wnaethom oedd
 been a number of actions. atgyfnerthu'r adran gyllid.
 You are absolutely right, one Bellach mae gennym dri
 of the things that we have chyfrifydd cymwys. Felly
 done with the new training cymerwyd nifer o gamau. Yr
 and development budget this ydych yn hollol gywir, un o'r
 year is to focus on priority pethau yr ydym wedi ei
 areas of training for staff. wneud o ran y gyllideb

**hyfforddi a datblygu newydd
eleni yw canolbwyntio ar y
meysydd o hyfforddiant o
flaenoriaeth ar gyfer y staff.**

[32] Peter Black: How do you propose to develop that in future years? **[32] Peter Black: Sut yr ydych yn bwriadu datblygu hynny yn y dyfodol?**

Mr Mason: In what sense? **Mr Mason: Ym mha ffordd?**

[33] Peter Black: Obviously, you started to focus on what you say is a very modest budget in those key areas. How do you propose now to expand that budget and to focus it on those areas in the future? **[33] Peter Black: Yn amlwg, yr ydych wedi dechrau drwy glustnodi cyllideb sydd, yn ôl yr hyn a ddywedasoch, yn un eithaf bach ar gyfer y meysydd allweddol hynny. Sut yr ydych yn bwriadu ehangu'r gyllideb honno a'i chlustnodi i'r meysydd hynny yn y dyfodol?**

Mr Mason: Again, what we are trying to do is to take a bottom-up rather than a top-down approach. The first level of management we have in the college are called section heads—this is on the teaching side—who work with a team of perhaps 8 or 10 lecturers. We try to get teams to identify their training needs. At the corporate level, we try to identify other training needs which we think are corporate. We are trying to build that training and development budget in that collaborative way. There are needs that people feel that they have and there are needs that we feel that they have. We are trying to pull those things together. We are very anxious to spend the

Mr Mason: Unwaith eto, yr hyn yr ydym yn ceisio ei gyflawni yw mabwysiadu ymagwedd o'r gwaelod i fyny yn hytrach na o'r brig i lawr. Y lefel gyntaf o reolwyr sydd gennym yn y coleg yw penaeithiaid adrannau fel y'u gelwir—mae hyn ar yr ochr addysgu—sydd yn gweithio gyda thîm o 8 neu 10 o ddarlithwyr o bosibl. Yr ydym yn ceisio sicrhau bod y timau yn nodi eu hanghenion hyfforddi. Ar lefel corporate. We are trying to gorfforaethol, yr ydym yn nodi anghenion hyfforddiant eraill sydd yn rhai corfforaethol yn ein tyb ni. Yr ydym yn ceisio datblygu'r gyllideb hyfforddiant a dablygiad drwy'r ffordd gydweithredol hon. Mae anghenion gan bobl yn eu tyb hwy, ac mae anghenion sydd

money from the training and development budget. It is very precious because it is small. We need to try to spend it wisely.

ganddynt yn ein tyb ni. Yr ydym yn ceisio casglu'r rheini ynghyd. Yr ydym yn awyddus iawn i wario'r arian o'r gyllideb hyfforddiant a datblygiad. Mae'n werthfawr iawn am ei fod mor fach. Mae angen inni ei gwario'n ddoeth.

[34] Janet Davies: We will now consider the governing body. Jane has some questions on that.

[34] Janet Davies: Byddwn yn awr yn ystyried y corff llywodraethol. Mae gan Jane rai cwestiynau ar hynny.

[35] Jane Davidson: The governing body comes in for an extraordinary amount of criticism in the report. It had no framework for management restructuring, no formal procedures to monitor process and there

[35] Jane Davidson: Mae'r corff llywodraethu yn cael ei feirniadu'n hallt dros ben yn yr adroddiad. Nid oedd ganddo unrhyw fframwaith dros ailstrwythuro'r haen reoli, na gweithdrefnau ffurfiol i fonitro'r broses a

were disputes between the chafwyd anghydfod rhwng y finance and general purposes pwyllgor cyllid a'r pwyllgor committee and the main dibenion cyffredin a phrif committee of the governing bwyllgor y corff body, with a proposed vote of llywodraethol, ac yr oedd sôn no confidence that was never am bleidlais o ddiffyg hyder taken anywhere and perhaps na weithredwyd arni ac might have changed the efallai y byddai wedi newid course of history if it had hynt y coleg pe bai wedi ei been taken somewhere at chynnal ar yr adeg honno. that point. In addition, you Yn ogystal, daeth y Pwyllgor have the Public Accounts Cyfrifon Cyhoeddus i'r Committee conclusion that casgliad bod y corff the governing body displayed llywodraethol wedi bod yn a complacent attitude to hunanfodlon o safbwynt yr events and stating that it was hyn a oedd yn digwydd gan astonishing that it did not nodi ei fod yn rhyfeddu nad probe the cost of oedd y corff llywodraethol restructuring or set cost and wedi ymchwilio i gost time parameters. Clearly, as ailstrwythuro na phennu well as the college being put terfynau cost ac amser. Yn back on its financial feet it amlwg, yn ogystal ag adfer y also had to be put back on its coleg o ran ei gyllid, yr oedd feet in terms of governance. hefyd angen ei adfer yn y So I think that the Audit ffordd yr oedd yn cael ei

Committee needs to be lywodraethu. Felly yr wyf o'r reassured of the steps that farn bod angen ichi sicrhau'r you have taken in terms of Pwyllgor Archwilio ynglyn making sure that you have an â'r camau yr ydych wedi eu effective governing body cymryd o ran sicrhau bod now. Can you start by giving gennych gorff llywodraethol us some information on how effeithiol bellach. A allwch the governing body is made ddechrau drwy roi ychydig o up and who the wybodaeth inni ar sut mae'r representative constituents corff llywodraethol wedi ei are? ffurfio a phwy yw'r aelodau cynrychioliadol?

Mr Mason: I presume, Jane, Mr Mason: Yr wyf yn cymryd that you were addressing the eich bod yn gofyn y cwestiwn question to me? i mi, Jane?

[36] Jane Davidson: Yes. [36] Jane Davidson: Oeddwn.

Mr Mason: The easiest thing Mr Mason: Y peth hawsaf yw is to give you a summary. rhoi crynodeb i chi. A gaf Perhaps I can just prefix gynnig ychydig sylwadau cyn that, given the comments you gwneud hynny, o ystyried yr

have just made. Obviously, I hyn yr ydych newydd ei
 do not want to be ddweud. Wrth gwrs, nid wyf
 discourteous to the people am ddifriö'r bobl a oedd yn y
 who went before me whom I swydd o'm blaen nad
 never actually knew. It is oeddwn yn eu hadnabod.
 important to stress that none Mae'n bwysig pwysleisio nad
 of the governors in post oedd yr un o'r
 now—with the exception of llywodraethwyr presennol—
 the staff governor, who was ac eithrio'r llywodraethwr
 re-elected by his staff—were o'r staff, a gafodd ei ailethol
 in post at the time of the gan ei staff—mewn swydd ar
 crisis, if I can call it that. adeg yr argyfwng, os y caf
 They have all been appointed gyfeirio ato felly. Cafodd pob
 since Sue Parker resigned— un ohonynt eu penodi ers i
 that is probably the easiest Sue Parker ymddiswyddo—
 way to see the cut-off. I think dyma'r ffordd orau o dynnu
 that that it is quite an llinell. Credaf fod hwnnw'n
 important point to make. The bwynt eithaf pwysig i'w
 governing body has also had wneud. Cafwyd cryn
 a significant amount of drosiant ymhlith aelodau'r
 turnover in terms of corff llywodraethol hefyd,
 members, so even some felly mae hyd yn oed rhai o'r
 members who joined just aelodau a ymunodd ar ôl i
 after Sue Parker resigned Sue Parker ymddiswyddo
 have left. Would the current wedi gadael. A fyddai'n

composition of the governing	ddefnyddiol	nodi
body be helpful?	cyfansoddiad	presennol y
	corff llywodraethol?	

[37] Janet Davies: Yes.

[37] Janet Davies: Byddai.

Mr Mason: We have a	Mr Mason: 19	19 yw ein
determined membership of	haelodaeth	benodedig. Mae
19. There are seven business	saith aelod busnes	ac mae'n
members and it is a	ofynnol o dan yr	offeryn bod
requirement of the	gennym draean a	chaiff y
instrument that we must	nifer ei thalgrynnu i	fyny neu
have a third and it is	i lawr. Mae gennym	ddau
rounded up or down. We	aelod cyfetholedig a	thri
have two co-opted members	aelod o'r staff.	Efallai y
and three staff members.	byddwch yn ymwybodol bod	
You may be aware that the	y rheolau yn datgan	bod yn
rules say that we must have	rhaid inni gael o	leiaf un
at least one and up to three	aelod o'r staff a	hyd at
staff members. Our	uchafswm o dri.	Mae ein
corporation has determined	corfforaeth wedi	penderfynu
that we should have the	y dylem gael yr	uchafswm.
maximum. We have a	Mae gennym	aelod sydd yn

student member and five fyfyrwr a phum aelod o
 local authority members. awdurdodau lleol. Unwaith
 Again, you probably know eto, fe wyddoch mae'n siwr,
 that Coleg Gwent was given a bod gan Goleg Gwent offeryn
 special instrument. All other arbennig. Mae gan bob un
 colleges have up to three o'r colegau eraill hyd at
 local authority members but uchafswm o dri aelod o
 Coleg Gwent, because we awdurdodau lleol, ond
 function within five unitary rhoddwyd offeryn arbennig
 authorities, was given a yn y ddeddfwriaeth i Goleg
 special instrument in the Gwent, gan ein bod yn
 legislation. We were allowed gweithredu o fewn ffiniau
 to appoint up to five and we pum awdurdod unedol.
 have, of course, chosen five. Caniatwyd inni benodi hyd
 So we have five local at uchafswm o bump ac yr
 authority members. It is ydym, wrth reswm, wedi
 quite important to pick up dewis pump. Felly mae
 that linkage back to the old gennym bum aelod o
 system. I think that there is a awdurdodau lleol. Mae'n
 bridge building there. I am eithaf pwysig nodi'r ddolen
 also a member of the gyswllt honno â'r hen system.
 governing body. A principal Yr wyf o'r farn bod modd
 can choose to be a member pontio o ran hynny. Yr wyf
 and I do not know of a innau hefyd yn aelod o'r
 principal who has not chosen corff llywodraethol. Gall y

to be a member.

prifathro ddewis bod yn
aelod ai peidio ac ni wn am
unrhyw brifathro nad yw
wedi dewis bod yn aelod.

The corporation also aims to move to a determination of 21 in time. I should mention that the corporation has moved from a membership of 13 to a membership of 19. I am sorry to confuse you with numbers but the strategy is important. A detailed skills audit of the governing body was carried out by the governing body. We felt that in appointing new governors, we should not just do what is often done, which is to ask if anybody would like to be on the governing body. We were keen to focus on skills needs on the governing body. Also, gender balance is a real

Mae'r gorfforaeth hefyd yn bwriadu symud at aelodaeth benodedig o 21 ymhen amser. Dylwn nodi bod y gorfforaeth wedi newid o 13 i aelodaeth o 19. Mae'n ddrwg gennyf eich drysu gyda ffigurau, ond mae'r strategaeth yn un bwysig. Cynhaliodd y corff llywodraethol archwiliad manwl o'r sgiliau ymhlith yr aelodau. Yr oeddem o'r farn na ddylem, wrth benodi llywodraethwyr newydd, ddilyn yr hyn sydd yn cael ei wneud yn aml, sef gofyn a oes diddordeb gan unrhyw un i fod yn aelod o'r corff llywodraethol. Yr oeddem yn

problem for us. We have a very small number of women on the governing body and we feel that that is an important issue.

awyddus i ganolbwyntio ar anghenion sgiliau'r corff llywodraethol. Hefyd, mae gennym broblem wirioneddol o ran y cydbwysedd rhwng dynion a merched. Ychydig iawn o ferched sydd yn aelodau o'r corff llywodraethol ac yr ydym o'r farn bod hwn yn fater pwysig.

We carried out the skills audit and targeted specifically. For example, we felt that we needed someone on the governing body with a background of special needs work. We have appointed a woman, which is a two for the price of one deal in terms of our aim of skills and gender balance. The woman was nominated by the Gwent

Cynhaliwyd ein harchwiliad o sgiliau gennym gan dargedu'n benodol. Er enghraifft, yr oeddem o'r benodol angen penodi rhywun i'r corff llywodraethol gyda chefnidir o waith anghenion arbennig. Penodwyd merch gennym, sydd yn cyflawni dau beth mewn un gweithred o safbwynt ein nod o ran

Association of Voluntary Organisations. We also felt that we needed a legal mind. We needed someone on the governing body who could take a legal perspective. So we targeted to try to find someone and have appointed a local solicitor.

sgiliau a'n nod i gyflawni cydbwysedd rhwng dynion a merched. Enwebwyd y ferch gan Gymdeithas Sefydliadau Gwirfoddol Gwent. Yr oeddem hefyd o'r farn bod angen arbenigedd cyfreithiol. Yr oedd angen penodi unigolyn i'r corff llywodraethol a allai ystyried y safbwynt cyfreithiol. Felly targedwyd er mwyn ceisio dod o hyd i unigolyn ac yr ydym wedi penodi cyfreithiwr lleol.

In terms of local authorities, we have tried but there is a very sensitive relationship with them, in that they feel that they should nominate whomever they wish. We understand that but on the other hand, we have

O ran awdurdodau lleol, yr ydym wedi gwneud ymdrech ond mae gennym berthynas sensitif iawn â hwy, yn y ffaith eu bod o'r farn y dylent enwebu pwy bynnag y mynnont. Deallwn hynny ond, ar y llaw arall, yr ydym

suggested to local authorities wedi awgrymu i'r
 the sort of skills that we are awdurdodau lleol y math o
 looking for in the hope that sgiliau yr ydym yn chwilio
 they will choose such people. amdanynt gan obeithio y
 For instance, one of our local byddant yn dewis pobl
 authorities has nominated gyffelyb. Er enghraifft, mae
 the chief executive of the un o'n hawdurdodau lleol
 authority. The other four wedi enwebu prif weithredwr
 have nominated elected yr awdurdod. Mae'r pedwar
 members, which again is a arall wedi enwebu aelodau
 nice balance. We have made etholedig, sydd hefyd yn
 huge progress in terms of the gydbwysedd da. Yr ydym
 fact that we now have a wedi gwneud cynnydd
 governing body that is very sylweddol yn y ffaith bod
 well-balanced in terms of gennym gorff llywodraethol
 skill. We are looking for one bellach sydd yn gytbwys o
 more co-opted member. You ran sgiliau. Yr ydym yn
 know that we have a large chwilio am un aeod
 land-based provision and a cyfetholedig arall. Gwyddoch
 big farm. We are looking for bod gennym ddarpariaeth
 someone from the farming helaeth o dir a fferm fawr.
 community, which is a Yr ydym yn chwilio am
 sensitive community from unigolyn o'r gymuned
 which to identify someone. ffermio, sydd yn gymuned
 We are working on that. sensitif o ran ceisio nodi

unigolyn. Yr ydym yn
parhau i weithio ar hynny.

So I can reassure you that Felly gallaf eich sicrhau bod
the governing body has y corff llywodraethol wedi
changed quite dramatically. newid cryn dipyn. Mae'n
It is quite different to the gwbl wahanol i'r hen gorff
previous governing body. It llywodraethol. Mae'n
is very vigilant. You can wyliadwrus iawn. Pe baech
imagine that if you joined yn dod yn aelod o gorff
Coleg Gwent's governing llywodraethol Coleg Gwent
body and read some of these ac yn darllen rhai o'r
reports, you would stay adroddiadau hyn, dyn a wyr,
awake at the meetings. byddech yn aros yn effro yn
y cyfarfodydd.

[38] Jane Davidson: One of [38] Jane Davidson: Un o'r
the key points in terms of pwyntiau allweddol o ran y
governing bodies—because, cyrff llywodraethol—
after all, we are talking about oherwydd wedi'r cyfan, sôn
volunteers—is to ensure that am wirfoddolwyr yr ydym—
governors have adequate yw sicrhau bod y
training so that they are llywodraethwyr yn cael

competent to carry out their difficult role in managing a college, particularly for one that is under such public scrutiny at the moment. What formal training do your members receive and how is that provided?

hyfforddiant digonol er mwyn iddynt fod yn gymwys i ymgymryd â'r rôl anodd sydd ganddynt o ran rheoli'r coleg, yn enwedig coleg sydd yn cael cymaint o sylw gan y cyhoedd ar hyn o bryd. Pa hyfforddiant ffurfiol yr ydych yn ei roi i'ch aelodau a sut y caiff ei ddarparu?

Mr Mason: They receive training in two main avenues. First, we have participated extensively in the governance and management development programme to which Steve referred. Governors are busy people and we are trying to get a balance instead of overloading them. Most of our governors are very enthusiastic and if we tell

Mr Mason: Maent yn cael hyfforddiant mewn dau brif ddull. Yn gyntaf, yr ydym wedi defnyddio'r rhaglen datblygu llywodraethu a rheoli y cyfeiriodd Steve ati yn eang. Mae'r llywodraethwyr yn bobl brysur ac yr ydym yn ceisio cael cydbwysedd yn hytrach na'u gorlwytho. Mae'r rhan fwyaf o'n llywodraethwyr yn frwdfrydig iawn ac os

them that we think they byddwn yn dweud wrthynt y
 ought to go to something, credwn y dylent fynychu
 they will try to go to it. The rhywbeth neu'i gilydd,
 problem with that is that byddant yn ceisio ei fynychu.
 they sometimes feel Y broblem yw eu bod
 overloaded. Therefore we use weithiau yn teimlo bod
 the GMDP pretty gormod o bwysau gwaith.
 extensively. Again, we choose Felly yr ydym yn defnyddio'r
 carefully. If the matter rhaglen datblygu
 concerns financial llywodraethu a rheoli yn
 management, the chair of eithaf eang. Unwaith eto, yr
 finance would probably ydym yn dewis a dethol yn
 attend as well as perhaps a ofalus. Os bydd y mater yn
 couple of new members. ymwneud â rheoli ariannol,
 cadeirydd y pwyllgor cyllid
 ynghyd ag un neu ddau o'r
 aelodau newydd fydd, fwy na
 thebyg, yn mynychu.

We also run quite a bit of in- Yr ydym hefyd yn cynnal
 house training ourselves. For ychydig o hyfforddiant
 example, next Tuesday we mewnol ein hunain. Er
 have a governor development enghraifft, ddydd Mawrth
 evening. The issues being nesaf bydd gennym noswaith

shared with them are the ddatblygu i'r latest developments in post- llywodraethwyr. Y materion 16 education in Wales, o dan sylw fydd y curriculum 2000 and updates datblygiadau diweddaraf on the funding methodology, mewn addysg ôl 16 yng because we have about eight Nghymru, cwricwlwm 2000 new governors who do not a'r wybodaeth ddiweddaraf really understand the am y fethodoleg gyllido, gan funding methodology. We fod gennym tua wyth have had training sessions llywodraethwr newydd nad from our external auditors ydynt yn llwyr ddeall y and our solicitors, Morgan fethodoleg gyllido. Mae ein Cole. Its employee lawyer harchwilwyr allanol a'n that we deal with has talked cyfreithwyr, sef Morgan to the governing body about Cole, wedi cynnal sesiynau issues relating to employment hyfforddiant inni. Mae ei law, new European gyfreithiwr cyflogeion yr legislation and so on. ydym yn ymdrin ag ef wedi annerch y corff llywodraethol am faterion yn ymwneud â chyfraith cyflogaeth, deddfwriaeth newydd Ewropeaidd ac ati.

We have a well-developed induction programme for governors. All new governors go through an induction programme. If governors join a committee, for example, the estates committee, then the estates director will spend time with them, visiting all the college campuses and highlighting the key issues of each campus, such as the maintenance problems that your Chair mentioned, leaking roofs and so on. If you spoke to our new governors, I think that they would say that they were quite surprised at how much has been done to make them move quickly into the role and to enable them to get up to speed quickly.

Mae gennym raglen sefydlu ddatblygedig ar gyfer y llywodraethwyr. Mae pob llywodraethwr newydd yn cymryd rhan yn y rhaglen sefydlu. Os bydd llywodraethwr yn ymuno â phwyllgor, er enghraifft, y pwyllgor ystadau, yna bydd y cyfarwyddwr ystadau yn treulio amser gyda ef, yn ymweld â phob campws o fewn y coleg yn nodi'r materion allweddol ar bob campws, megis y problemau yn gollwng ac ati. Pe baech yn siarad â'n llywodraethwyr newydd, credaf y byddent yn dweud eu bod yn synnu braidd bod cymaint wedi cael ei wneud i sicrhau eu bod yn ailgydio yn eu rôl yn gyflym ac i'w galluogi i gael y

wybodaeth ddiweddaraf yn gyflym.

[39] Jane Davidson: We are all aware that the funding methodology is very difficult. If you do have a high turnover of governors—as you have indicated in your responses to these questions—what self-assessment of the performance of the governing body is undertaken to ensure that, despite changes in membership, you are still confident that the robust and professional governing body required by the Public Accounts Committee is in place in the institution?

[39] Jane Davidson: Yr ydym oll yn ymwybodol bod y fethodoleg gyllido yn ddyrys iawn. Os oes gennych drosgiant uchel o lywodraethwyr—fel yr ydych chi wedi nodi yn eich atebion i'r cwestiynau hyn—pa hunan-asesiad o berfformiad y corff llywodraethol a wneir i sicrhau eich bod, er gwaethaf y newidiadau yn yr aelodaeth, yn hyderus o hyd bod y corff llywodraethol a phroffesiynol y mae'r Cyfrifon Cyhoeddus wedi gofyn amdano yn ei le yn y sefydliad?

Mr Mason: Can I make one comment? Perhaps I have given the impression that there has been a high turnover. I was trying politely to say that a number of people decided to resign from the governing body because they felt that the college should move on into a new era. I am not suggesting that we regularly get a high turnover. The governors are appointed for four years. Our corporation has determined a four-year period. To pick up on that point, I would not expect a regular and massive turnover. What has happened in this transition period with the new instruments of government, bringing in the local authority members and so

Mr Mason: A gaf gynnig un sylw? Efallai fy mod wedi rhoi'r argraff bod gennym drosiant uchel. Yr oeddwn yn ceisio dweud mewn ffordd garedig bod nifer o bobl wedi penderfynu ymddiswyddo o'r corff llywodraethol oherwydd eu bod o'r farn y dylai'r coleg symud ymlaen at gyfnod newydd yn ei hanes. Nid wyf am awgrymu bod gennym drosiant uchel fel rheol. Penodir y llywodraethwyr am gyfnod o bedair blynedd. Penderfynodd ein corfforaeth ar gyfnod o bedair blynedd. I ddychwelyd at y pwynt hwnnw, ni fyddwn yn rhagweld trosiant enfawr fel rheol. Yr hyn sydd wedi digwydd yn y cyfnod trosiannol yn sgîl yr

on, is that we have had an influx, if you like.

offerynnau llywodraethu newydd, dod ag aelodau o'r awdurdod lleol i mewn ac ati, yw ein bod wedi cael mewnlif, fel petai.

[40] Jane Davidson: Yes, you said that you had eight new governors.

[40] Jane Davidson: Ie, dywedasoch bod gennych wyth llywodraethwr newydd.

Mr Mason: All I am saying is that I would not expect to have another turnover of eight next year. In that sense, we are trying to implement quite a high level of training for those new governors. I would imagine that when the governors are settled and a steady-state governing body has been reached, one would see that training levelling out a bit. We tended to make an

Mr Mason: Y cwbl yr wyf yn ei ddweud yw na ragwelwn y bydd gennym wyth aelod newydd y flwyddyn nesaf. O safbwynt hynny, yr ydym yn ceisio cynnig lefel eithaf uchel o hyfforddiant i'r llywodraethwyr newydd hyn. Bydd lefel yr hyfforddiant yn gostwng ryw ychydig, dybiwn i, unwaith y bydd y llywodraethwyr wedi ymsefydlu a bod gennym

extra input because we gorff llywodraethol sefydlog. happened to have a lot of Yr oeddem yn tueddu i roi'r governors. On the funding allbwn ychwanegol methodology, we are not oherwydd ein bod yn trying to teach them the digwydd penodi llawer o details of that but are trying lywodraethwyr. Ynglyn â'r to give them an appreciation fethodoleg gyllido, nid ydym of how critical it is that yn anelu at ddysgu manylion student numbers hold up and y fethodoleg iddynt ond yn that we have good hytrach ceisio rhoi darlun achievements and retention iddynt o ba mor holl bwysig because it relates so directly ydyw bod nifer y myfyrwyr to our funding. yn parhau a'n bod yn cyflawni'n dda a chadw ein myfyrwyr am fod ein cyllid wedi ei gysylltu'n uniongyrchol â hynny.

[41] Jane Davidson: I will [41] Jane Davidson: Hoffwn finish with two questions to orffen gyda dau gwestiwn i Mr Martin on the fund Mr Martin ar fanylion y details. cyllido.

[42] Janet Davies: I will just bring two other people in and we will come back to you in a minute, Jane. I think that Brian wanted to pursue the issue of the governing body.

[42] Janet Davies: Hoffwn ddod â dau o bobl eraill i mewn a byddwn yn dod yn ôl atoch mewn eiliad, Jane. Credaf fod Brian am holi rhagor ynglyn â'r corff llywodraethol.

[43] Brian Gibbons: Yes. Both documents before us are very critical of the governors. I ask—not so much in the context of Coleg Gwent but on a routine basis—how realistic is it to expect volunteers, who give up their time, to undertake these extremely onerous duties and responsibilities, which the Public Accounts Committee says is a big and challenging job. Would any of you agree that this is an impossible remit for volunteers?

[43] Brian Gibbons: Ydwyf. Mae'r ddwy ddogfen ger ein bron yn feirniadol iawn o'r llywodraethwyr. Holaf—nid yn gymaint o safbwynt Coleg Gwent ond yn gyffredinol—pa mor realistig ydyw i ddisgwyl i wirfoddolwyr, sydd yn rhoi o'u hamser, i ymgymryd â'r dyletswyddau a'r cyfrifoldebau hyn sydd yn rhai beichus dros ben, ac yn waith trwm ac ymestynnol yn ôl y Pwyllgor Cyfrifon Cyhoeddus. A fyddai unrhyw un ohonoch yn cytuno bod

**hyn yn dasg amhosibl i
wirfoddolwyr?**

**Mr Martin: It is a very Mr Martin: Mae'n swydd
challenging job. Nobody ymestynnol iawn. Ni ddylai
should undertake it unless neb ymgymryd â hi oni bai ei
they are prepared to put in fod yn barod i weithio cryn
quite a few hours. I think nifer o oriau. Yr ydych wedi
that you have had earlier cael tystiolaeth yn
evidence in your more gynharach, mi gredaf, yn
general inquiry about the eich ymholiad mwy
sort of burden that it cyffredinol ynglyn â'r math o
involves. You refer to that in faich sydd ynghlwm â hi. Yr
your recent report. We are ydych yn cyfeirio at hynny yn
trying to make it as easy for eich adroddiad diweddar. Yr
people as possible but that ydym yn ceisio ei gwneud
does not in any way detract mor hawdd â phosibl i bobl
from the extent, nature and ond nid yw hynny yn lleihau
gravity of the responsibilities. hyd a lled y cyfrifoldebau a'u
natur a'u pwysigrwydd
mewn unrhyw ffordd.**

This summer we will at last Yn yr haf eleni byddwn o'r

issue the guide to governors diwedd yn cyhoeddi'r
 and also what will be arweiniad i'r llywodraethwyr
 extremely useful and user- a hefyd ddeunyddiau a fydd
 friendly training materials. I yn ddefnyddiol iawn ac yn
 found them very user- hawdd iawn i'w defnyddio.
 friendly, anyway. These have Cefais hwy'n hawdd iawn i'w
 been developed jointly in defnyddio, beth bynnag.
 Wales and England, which is Cafodd y rhain eu datblygu
 one of the reasons why it has ar y cyd yng Nghymru a
 taken a while. People from Lloegr, sef un o'r rhesymau
 Wales have been represented pam y cymerodd dipyn o
 in developing them. When we amser. Cafodd pobl o Gymru
 have them in place, it will eu cynrychioli yn y gwaith
 make this process easier. We o'u datblygu. Pan fyddwn
 do see the funding council wedi eu rhoi ar waith, bydd
 itself as having a continuing yn sicrhau bod y broses hon
 responsibility—returning to yn haws. Nid ydym yn
 the point I made about a rhagweld y bydd gan y
 partnership with colleges—to cyngor cyllido ei hun
 run a continuing series of gyfrifoldeb parhaus—gan
 events, seminars or whatever. ddychwelyd at y pwynt a
 This has always happened to wnes ynglyn â'i bartneriaeth
 an extent, but it was more ad a'r colegau—dros gynnal
 hoc previously. We see that cyfres o ddigwyddiadau,
 as something that we need to seminarau neu beth bynnag o

do and develop under the next phase of the governance and management development programme. Much public service depends on people giving of their time willingly and for nothing. I recall that estimates of the cost of doing it in other ways were that it could be an absolute fortune. It does root the activities of these bodies firmly, particularly perhaps with the revisions to the arrangements for appointments to governing bodies, in local communities. There may be other models but I think that we could make this one work. It will require eternal vigilance and a lot of effort from everyone involved.

hyd. Mae hyn wedi digwydd erioed i raddau, ond yr oedd ar sail fwy achlysurol o'r blaen. Ystyriwn hynny yn rhywbeth y bydd angen inni ei wneud a'i ddatblygu yn ystod cam nesaf y rhaglen datblygu llywodraethu a rheoli. Mae'r rhan fwyaf o'r gwasanaeth cyhoeddus yn dibynnu ar bobl sydd yn barod i roi o'u hamser a hynny yn rhad ac am ddim. Yr wyf yn cofio, yn ôl yr amcangyfrifon o'r gost o'i wneud mewn ffyrdd eraill y gallai gostio ffortiwn. Mae'n ffordd o sicrhau bod gweithgareddau'r cyrff hyn, yn enwedig efallai gyda'r diwygiadau i'r trefniadau penodi i gyrff llywodraethol, wedi eu gwreiddio yn y cymunedau lleol. Efallai bod modelau eraill ond credaf y

gallem wneud i hwn weithio.
Bydd yn gofyn am
wyliadwriaeth ddi-baid a
chryn ymdrech ar ran pawb
sydd yn ymwneud ag ef.

[44] Brian Gibbons: Do you think that there is a case for slightly readjusting the balance between full-timers such as yourself, and volunteers?

[44] Brian Gibbons: A gredwch fod lle i ddadlau dros addasu'r cydbwysedd rhwng gweithwyr llawn amser fel chi, a gwirfoddolwyr ryw ychydig?

Mr Martin: The role of a governing body is not to run an institution. It is to take a view about strategic direction and systems and to ensure that systems are functioning and are being audited, that there is a proper audit needs assessment and that there is a committee structure that

Mr Martin: Nid rôl y corff llywodraethol yw rhedeg sefydliad. Ei rôl yw llunio barn ynglyn â'r cyfeiriad strategol a'r systemau ac i sicrhau bod y systemau yn gweithredu ac yn cael eu harchwilio, bod asesiad priodol o'r anghenion bod strwythur

enables it to do that. It is a pwyllgor sydd yn ei alluogi i
 job of interrogation and of wneud hynny. Ei
 leadership at the highest swyddogaeth yw croesholi a
 level. It is not about running rhoi arweinyddiad ar y lefel
 an institution. If you confuse uchaf. Nid yw'n golygu
 those two roles—the role of rhedeg sefydliad. Os ydych
 oversight, checking and yn cymysgu'r ddwy rôl
 monitoring and the role of hyn—sef y rôl o oruchwylio,
 management—there is a gwirio a monitro a'r rôl
 severe danger that you will reoli—mae perygl mawr y
 end up with more problems byddwch yn creu mwy o
 like this, not less, in the sense broblemau o'r fath, nid llai,
 that there will not be clear yn yr ystyr na fyddai
 blue water between what the eglurder ynglyn â'r hyn y
 governing body is mae'r corff llywodraethol yn
 responsible for and what gyfrifol amdano a'r hyn y
 management is responsible mae'r rheolwyr yn gyfrifol
 for in terms of running the amdano o safbwynt rhedeg y
 college. coleg.

[45] Brian Gibbons: That is [45] Brian Gibbons: Dyna'r
 precisely what the governing union beth y mae'r corff
 body has been criticised for, llywodraethol wedi cael ei
 as far as I understand it—not feirniadu yn ei gylch, hyd y

being on top of the detail.

deallaf fi—sef peidio â
meistroli'r manylion.

Mr Martin: Yes.

Mr Martin: Ie.

[46] Brian Gibbons: But are you saying that it is not reasonable to expect them to be on top of the detail to that extent?

[46] Brian Gibbons: Onid ydych yn dweud nad yw'n rhesymol disgwyl iddynt fod yn feistri ar y manylion i'r fath raddau?

Mr Martin: I do not think that the issues that arose in this case, and in similar ones in England, were about a lack of grasp of detail. They were about a failure to ensure that the systems were in place to ensure that the governing body routinely received financial and other information and that audits were carried through. For

Mr Martin: Ni chredaf mai diffyg gafael ar fanylion oedd wrth wraidd y materion a gododd yn yr achos hwn, ac mewn achosion tebyg yn Lloegr. Yr oeddent yn ymwneud â methiant i sicrhau bod y systemau yn eu lle i sicrhau bod y corff llywodraethol yn cael gwybodaeth ariannol a gwybodaeth arall yn

example, ensuring that when rheolaidd a'i fod yn
 the internal audit identifies gweithredu ar archwiliadau.
 that some 20 things need to Er enghraifft, yn sicrhau,
 be done, that they are done pan fydd yr archwilwyr
 and there is evidence that mewnl yn nodi tua 20 o
 they have been done. bethau y mae angen eu
 Therefore, it does not require gwneud, eu bod yn cael eu
 them to master huge gwneud a bod tystiolaeth eu
 amounts of detail, although I bod wedi eu gwneud. Felly
 would be the first to say that nid yw'n ofynnol iddynt
 a good eye for the significant feistroli darnau mawr o
 detail can be a very telling fanylion, er mai fi fyddai'r
 thing. That is why it is cyntaf i ddweud y gall llygad
 important that accountancy, barcud am y manylyn
 financial and legal skills and arwyddocaol fod yn effeithiol
 so on are adequately iawn. Dyna pam y mae'n
 represented on governing bwysig bod gennym ddigon o
 bodies, so that you have sgiliau cyfrifyddeg, sgiliau
 people with a background, in ariannol a chyfreithiol ac ati
 business for example, which ar gyrff llywodraethol, fel
 enables them to bring that to bod gennym bobl â chefnidir,
 the body. mewnl busnes er enghraifft,
 sydd yn eu galluogi i roi
 hynny i'r corff.

Dafydd Wigley: Hoffwn Dafydd Wigley: I want to
ddilyn y pwynt hwnnw. Yn y follow on from that point. In
cwestiynau cychwynnol, fe'i the initial questions, it was
gwnaethpwyd yn glir fod made clear that
cyfrifoldeb am redeg y responsibility for running
sefydliadau hyn yn disgyn ar these organisations falls to
y cyrff llywodraethol yn the governing bodies rather
hytrach nag ar y cyngor than the funding council or
cyllido neu'r Cynulliad. the Assembly. Therefore,
Felly, gyda'r cyfrifoldeb given that responsibility, the
hwnnw, mae'r swyddi yn jobs are extremely
aruthrol bwysig. Maent yn important. They require
gofyn i bobl â chymwysterau people with qualifications to
roi amser sylweddol yn ddi- give a substantial amount of
dâl. Pan ydym yn sôn am time without remuneration.
redeg busnes £35 miliwn y When we are talking about
flwyddyn, a ydym am gael running a £35 million a year
pobl sydd yn gallu rhoi'r business, are we going to get
amser ac sydd â'r people who can give the time
cymwysterau a'r cefndir? A and have the qualifications
yw'r model hwn yn and background? Is this
ymarferol? model practicable?

**Yr wyf yn edrych ar yr I am looking at the report
adroddiad a gawsom yn that we received earlier. It
gynharach. Mae'n dweud says that the Welsh Office
bod y Swyddfa Gymreig wedi has placed new obligations
rhoi rhwymedigaethau o'r on the funding council to
newydd ar y cyngor cyllido i ensure the highest standards
sicrhau'r safonau uchaf of governance in the sector
mewn llywodraethu yn y and has asked the funding
sector ac wedi gofyn i'r council to monitor the
cyngor cyllido fonitro performance of organisations
perfformiad sefydliadau o in terms of governance. What
ran llywodraethu. Pa wersi lessons are we learning about
yr ydym yn eu dysgu am monitoring the performance
fonitro perfformiad of organisations in terms of
sefydliadau o ran governance and are we
llywodraethu ac a ydym yn coming to a decision that we
dod i benderfyniad fod angen need to change this model?
newid y model hwn?**

**Mr Martin: Ni chredaf ein bod Mr Martin: I do not think that
wedi cyrraedd y pwynt o we have reached the point of
newid y model. Mae hynny changing the model. That is
wedi'i osod yn y Ddeddf ac set out in the Act and in the
yn yr erthyglau ac articles and instruments and**

offerynnau ac yn y blaen. Y so on. The lesson for me is
 wers i mi yw'r angen i the need to ensure that there
 sicrhau bod digon o is enough training as well as
 hyfforddiant yn ogystal â certainty about the needs of
 sicrwydd ynghylch governing bodies before
 anghenion y cyrff appointing people. We must
 llywodraethu cyn penodi ensure that there is a
 pobl. Rhaid inni sicrhau bod commitment to do the work.
 ymrwymiad i wneud y From what I understand of
 gwaith. O'r hyn yr wyf yn ei the standard of governors in
 ddeall ynglyn â safon y Gwent College after all the
 llywodraethwyr yng Ngholeg problems, they are people of
 Gwent ar ôl yr holl a high standard who take the
 drafferthion, maent yn bobl o responsibilities seriously. I
 safon sydd yn cymryd y am not sure, after four
 cyfrifoldebau o ddifrif. Nid weeks, if that is generally
 wyf yn sicr, ar ôl pedair true or not. I want to ensure
 wythnos, a yw hynny'n that the funding council does
 gyffredinol wir neu beidio. its best to work with colleges
 Yr wyf am sicrhau bod y through the second part of
 cyngor cyllido yn gwneud ei the programme that I have
 orau i weithio gyda'r colegau just described, to do that in
 drwy ail ran y rhaglen yr wyf the future. We have started
 newydd ei disgrifio, i wneud on that. I do not think that
 hynny yn y dyfodol. Yr ydym there is sufficient evidence

wedi dechrau ar hynny. Ni that the model is deficient.
 chredaf fod digon o There are many examples of
 dystiolaeth bod y model yn bodies with a professional
 ddiffygiol. Ceir lluoedd o model that have problems. I
 enghreifftiau o gyrff sydd â do not say that to justify this
 model proffesiynol yn cael model, but I do not think
 problemau. Ni ddywedaf that the model is the
 hynny i gyfiawnhau'r model fundamental problem. I am
 hwn, ond nid wyf yn credu sure that we will have to look
 mai'r model yw'r broblem at its operation carefully as
 sylfaenol. Yr wyf yn sicr y we monitor, because there
 bydd yn rhaid inni edrych ar are still several deficiencies
 ei weithrediad yn wyliadwrs in the performance of
 wrth inni fonitro, oherwydd organisations and we are
 bod nifer o ddiffygion ym working to improve the
 mherfformiad cyrff o hyd ac situation.
 yr ydym yn gweithio i wella'r
 sefyllfa.

[48] Janet Davies: There is a [48] Janet Davies: Mae'r
 feeling in the Committee that Pwyllgor o'r farn bod rhai
 there are some problems problemau efallai y byddwn
 here to which we may ask yn gofyn i rannau eraill o'r
 other parts of the Assembly Cynulliad roi sylw iddynt.

to pay attention. However, Fodd bynnag, yr ydym am
 we want to move on from the symud ymlaen o fater y corff
 governing body issue now. llywodraethol yn awr.

[49] Jane Davidson: I will ask [49] Jane Davidson: Gofynnaf
 one more question on the un cwestiwn arall am y corff
 governing body related to the llywodraethol sydd yn
 funding council. I note what ymwneud â'r cyngor cyllido.
 you said about issuing a Nodaf yr hyn yr ydych wedi
 guide to governors. However, ei ddweud ynglyn â
 in terms of the public chyhoeddi canllaw i'r
 accountability of governors, llywodraethwyr. Fodd
 which is recognised in the bynnag, o safbwynt
 National Audit Office report atebolrwydd cyhoeddus y
 and that of the Public llywodraethwyr, sydd yn cael
 Accounts Committee, it ei gydnabod yn adroddiad y
 seems that the funding Swyddfa Archwilio
 council should be doing a Genedlaethol, ac adroddiad y
 great deal more to ensure Pwyllgor Cyfrifon
 that all colleges in Wales Cyhoeddus, ymddengys y
 have governors who are fully dylai'r cyngor cyllido wneud
 skilled through training llawer mwy i sicrhau bod gan
 programmes and issuing bob coleg yng Nghymru
 strong guidance to colleges lywodraethwyr sydd yn gwbl

on their governing bodies' fedrus o ganlyniad i raglenni
arrangements, in the same hyfforddiant ac i gyhoeddi
way that colleges get strong arweiniad cadarn i'r colegau
guidance on the appointment ar drefniadau eu cyrff
of their senior staff. llywodraethol, yn yr un
modd ag y mae'r colegau yn
cael arweiniad cadarn ynglyn
â phenodi eu huwch staff.

Mr Martin: There are Mr Martin: Mae cyfyngiadau
limitations on how far we can ar ba mor bell y gallwn
insist on things. The fynnu bod pethau'n cael eu
statutory framework has the gwneud. Yn ôl y fframwaith
governing body appointing statudol, mae'r corff
its own membership within llywodraethol yn penodi ei
the framework with which aelodaeth ei hun o fewn y
you are familiar. We are fframwaith y gwyddoch
trying to ensure that best amdano. Yr ydym yn ceisio
practice is available and that, sicrhau bod yr arfer gorau ar
through the governance and gael a bod hynny, drwy'r
management development rhaglen datblygu
programme, that is built into llywodraethu a rheoli, yn cael
the way in which governing ei gynnwys yn y ffordd y
bodies operate, in which mae'r cyrff llywodraethol yn

appointments are made and gweithredu, yn y ffordd y
 in which the control systems mae penodiadau yn cael eu
 and so on work. To move gwneud a'r ffordd y mae'r
 beyond partnership to systemau rheoli ac ati yn
 running colleges would gweithredu. Byddai angen
 require a different fframwaith gwahanol pe
 framework. However, it is baech am symud y tu hwnt i
 true that, within the bartneriaeth tuag at redeg
 framework that exists, we are colegau. Fodd bynnag, mae'n
 using every possible means to wir dweud ein bod, o fewn y
 ensure that we are fframwaith sydd yn bodoli,
 stimulating governing bodies yn defnyddio pob modd
 to address those issues posibl i sicrhau ein bod yn
 firmly. My latest assessment annog y cyrff llywodraethol i
 is that, in terms of the fynd i'r afael â'r materion
 governance and management hynny mewn ffordd gadarn.
 development programme, we Fy asesiad diweddaraf yw, o
 have remaining concerns ran y rhaglen datblygu
 about how that is going in at llywodraethu a rheoli, bod
 least six institutions and we gennym bryderon o hyd
 will focus our effort, in ynghylch sut y mae'n
 particular in the second gweithredu mewn chwe
 phase, on areas where we are sefydliad o leiaf a byddwn yn
 not yet satisfied. It is a canolbwyntio, yn enwedig yn
 continuing process and yr ail gam, ar y meysydd

cannot ever be a one-off hynny nad ydym yn fodlon event. We will have to arnynt hyd yn hyn. Proses continue to revisit this and barhaus ydyw ac ni all fod yn ensure that the systems are ddigwyddiad untro. Bydd yn embedded, and we will do rhaid inni barhau i that through auditing and as ddychwelyd at hyn a sicrhau we roll out the next phases of bod y systemau yn this programme. Therefore, ymsefydlu, a byddwn yn we do not think that by gwneud hynny drwy waith simply issuing some training archwilio ac wrth inni materials—if I have gyflwyno'r camau nesaf o'r conveyed that impression, I rhaglen hon. Felly, ni did not mean to do so—or by chredwn y caiff y gwaith hwn doing a couple of roadshows, ei gyflawni drwy gyhoeddi the job is done. It is a rhai deunyddiau hyfforddi combination of a whole set of yn unig—os wyf wedi rhoi'r processes, some of them very argraff honno, nid hwnnw formal, about our monitoring oedd fy mwriad—neu drwy and control, and some about drefnu ambell i sioe ar daith. working in partnership Mae'n gyfuniad o gyfres through this programme. gyfan o brosesau, y mae rhai ohonynt yn ffurfiol iawn, yn ymwneud â'n gwaith monitro a rheoli, a rhai ohonynt yn ymwneud â gweithio mewn

partneriaeth drwy'r rhaglen hon.

[50] Jane Davidson: In terms of the role of the funding council in relation to the financial management, you have recently changed the categorisation of Coleg Gwent yn Gwent's financial position from unsatisfactory to marginal. How do you justify that decision at this time and what monitoring of the college will you undertake beyond your routine procedures?

Mr Martin: Before we get into the detail, being reclassified from unsatisfactory to marginal does not mean that the heat is off. It means that there will continue to be

Mr Martin: Cyn inni drafod y manylion, nid yw'r ailgategoreddio o anfoddhaol i ymylol yn codi'r pwysau oddi arnom. Mae'n golygu y byddwn yn parhau i

monthly reports and that a gynhyrchu adroddiadau
close eye will be kept on the misol a bydd y coleg yn
college, and any issues will be parhau i fod o dan
followed up quickly with it. chwyddwydr, a byddwn yn
That remains. I will explain gweithredu ar unrhyw
the basis of the decision. I am faterion yn gyflym. Mae
not simply referring to hynny'n aros yn
history, because on my ddigyfnewid. Egluraf sail y
arrival—perhaps my mind penderfyniad. Nid wyf yn
was concentrated by today's cyfeirio at hen hanes yn unig,
meeting—I insisted on oherwydd ar ôl i mi
reviewing how the decision gyrraedd—efallai bod gennyf
was made. I am satisfied that y cyfarfod heddiw mewn
it was the right decision. We golwg—mynnais arolygu'r
would be applying different modd y cafodd y
criteria to those we apply to penderfyniad ei wneud. Yr
other colleges if we had not wyf yn fodlon mai'r
taken that decision. penderfyniad iawn ydoedd.

Byddem yn defnyddio meini
prawf gwahanol i'r rheini a
ddefnyddiwyd mewn colegau
eraill pe na baem wedi
gwneud y penderfyniad
hwnnw.

I think that I need to give you some detail to take you through what justified it. The decision was originally taken not that recently—it was back in January—and based on the audited annual accounts for 1998-99. At that time, the accounts showed a historic cost surplus of £595,000, which compared with an original forecast for the year of a small deficit. So that is the first factor. There were general reserves of £3.8 million against an original forecast of £2.5 million, which suggested that the strict control measures that David Mason has described were having a significant effect.

Credaf fod angen imi roi ychydig o fanylion ichi er mwyn esbonio'r hyn a oedd yn ei gyfiawnhau. Nid yn ddiweddar y gwnaethpwyd y penderfyniad yn wreiddiol—yn ei gyfiawnhau. Nid yn ddiweddar y gwnaethpwyd y penderfyniad yn wreiddiol—based on the audited annual fe'i gwnaed yn ôl ym mis accounts for 1998-99. At that Ionawr—ac yr oedd yn time, the accounts showed a seiliedig ar y cyfrifon historic cost surplus of blynyddol archwiledig ar £595,000, which compared gyfer 1998-99. Bryd hynny, with an original forecast for yr oedd y cyfrifon yn dangos the year of a small deficit. So gwarged cost hanesyddol o that is the first factor. There £595,000, o'i gymharu â'r were general reserves of £3.8 diffyg bychan a ragwelwyd million against an original yn wreiddiol ar gyfer y forecast of £2.5 million, flwyddyn. Felly hwn yw'r which suggested that the ffactor cyntaf. Cafwyd strict control measures that cronfeydd cyffredinol wrth David Mason has described gefn o £3.8 miliwn o'u were having a significant cymharu â'r rhagolwg effect. gwreiddiol o £2.5 miliwn, a oedd yn awgrymu bod y mesurau rheoli llym a ddisgrifiwyd gan David

Mason yn cael cryn effaith.

The latest management Dengys y cyfrifon rheoli accounts show no variance diweddaraf nad oes unrhyw from the forecast we had in amrywiant o'r rhagolwg a June 1999, so there was a gawsom ym mis Mehefin degree of confidence about 1999, felly teimlasom that. There was a small but rywffaint o hyder yn sgîl significant fall in the college's hynny. Yr oedd gostyngiad reliance on council funding, bach ond arwyddocaol o ran which is another of the key dibyniaeth y coleg ar arian y measures to use. It was not a cyngor, sydd yn fesur massive fall; it was from 77 allweddol arall i'w per cent of total funds to 75. I ddefnyddio. Nid oedd yn can go on. There were a ostyngiad enfawr; range of things which gostyngodd o 77 y cant o suggested that the college gyfanswm yr arian i 75 y was not just saying it was cant. Gallaf fynd ymlaen. Yr improving, but was actually oedd nifer o bethau a oedd improving and that its yn awgrymu nad mater o financial position was ddweud yn unig ydoedd bod stronger. y coleg yn gwella ond bod y coleg yn gwella mewn gwirionedd a bod ei sefyllfa

ariannol yn gadarnach.

Problems remained. You Erys problemau. Yr ydych have referred to the issue of wedi crybwyll yr ôl-groniad backlog maintenance, the yn y gwaith cynnal a chadw, capital programme, the y rhaglen gyfalaf, a'r contingent liability for the rhwymedigaeth achlysurol ar European social fund money gyfer arian y gronfa and the fact that there had gymdeithasol Ewropeaidd not been a pay award for a a'r ffaith na chafwyd couple of years. All those dyfarniad cyflog am ychydig things were taken into flynyddoedd. Cafodd pob un account. I am giving you this o'r pethau hynny eu full picture to show that this hystyried. Yr wyf yn rhoi'r was not a casual decision. darlun llawn hwn ichi er This was based on a very mwyn dangos nad thorough analysis, which was penderfyniad rhywsut the same as would be applied rhywsut ydoedd. Cafodd ei to any institution. That seilio ar ddadansoddiad improved situation has been trylwyr iawn, sef yr hyn a confirmed in the mid-year fyddai wedi digwydd mewn return for this March. That unrhyw sefydliad. shows a historic cost surplus Cadarnhawyd y sefyllfa well forecast of £1.4 million for honno drwy'r canlyniad

the year just gone, rising to £2.6 million for 2000-01, as well as an improvement in general reserves. That is even after taking into account the contingent liability, which is a maximum of £3 million, for the European social funding.

canol blwyddyn ar gyfer mis Mawrth eleni. Dengys hwnnw fod gwarged cost arfaethedig o £1.4 miliwn ar gyfer y flwyddyn a ddaeth i ben, yn cynyddu i £2.6 miliwn ar gyfer 2000-01, yn ogystal â gwelliant mewn cronfeydd cyffredinol. Mae hynny ar ôl ystyried y rhwymedigaeth achlysurol, sef uchafswm o £3 miliwn, ar gyfer cronfa gymdeithasol Ewrop.

Our judgment against that background, and against the improvements in the control systems that have been made in the college, is that it would have been perverse to categorise the college as being unsatisfactory rather than marginal. However, I

Ein barn ni, o ystyried y cefndir hwnnw, ac o ystyried y gwelliannau yn y systemau rheoli a wnaethpwyd yn y coleg, yw y byddai wedi mynd yn groes i'r graen i gategoreiddio'r coleg yn anfoddhaol yn hytrach nag ymylol. Fodd bynnag, a gaf

add to that, just to underline nodi hefyd, dim ond i
that we are being very danlinellu ein bod yn
vigilant about this, that we wyliadwrus iawn yn hyn o
are working closely with the beth, ein bod yn gweithio'n
college. I have visited the agos iawn gyda'r coleg. Yr
college myself since I started wyf wedi ymweld â'r coleg
in this job. We have—I think ers i mi ddechrau yn y swydd
that it is probably fair to hon. Yr ydym—credaf ei bod
say—almost daily contact on yn deg dweud, mae'n
something or other. That will debyg—wedi bod mewn
continue and, in particular, cysylltiad â'n gilydd bron
the monthly financial returns bob dydd ynglyn â rhywbeth
will continue. Marginal neu'i gilydd. Bydd hynny'n
classification means that we parhau ac, yn benodol, bydd
have our eye on the college. y canlyniadau ariannol misol
yn parhau. Mae'r
categorreiddiad ymylol yn
golygu ein bod yn cadw
llygad barcud ar y coleg.

[51] Jane Davidson: When [51] Jane Davidson: Pryd y
would you expect to byddech yn disgwyl
recategorise the college, if the ailgategoreiddio'r coleg, os

financial arrangements in bydd y trefniadau ariannol
place work as both the staff sydd yn eu lle yn llwyddo yn
and the governing body ôl bwriad y staff a'r corff
intend? llywodraethol?

Mr Martin: There is a Mr Martin: Mae ychydig o
measure of work to do in a waith i'w wneud mewn nifer
number of areas. I think that o feysydd. Yr wyf o'r farn y
the college would fully accept byddai'r coleg yn derbyn yn
that some of its systems need llawn bod angen ffurfioli rhai
formalising, particularly in o'i systemau, yn enwedig o
relation to strategic planning, ran cynllunio strategol, lle
where an integration of the mae angen integreiddio'r
various things that make up gwahanol bethau sydd yn
a good strategic plan need to ffurfio cynllun strategol da.
happen. Very important in Yr hyn a fyddai'n bwysig
relation to risk analysis iawn o ran dadansoddi risg
would be well-embedded, yw systemau da, wedi hen
good systems and reliable ymsefydlu, a data y gellir
data on student numbers, dibynnu arno o ran nifer y
which is so important for the myfyrwyr, sydd mor bwysig
funding of colleges. That has ar gyfer cyllid y colegau. Mae
been a really big problem in honno wedi bod yn broblem
this college. It has not been sylweddol yn y coleg hwn.

cracked everywhere but it Nid yw wedi ei datrys ymhob
has been a particular man, ond bu'n gryn broblem
problem for Coleg Gwent, i Goleg Gwent, ac efallai ei
and it may well have suffered fod wedi dioddef o'r
as a result. herwydd.

Heavy investment is going Yr ydym yn buddsoddi'n
into new systems. We are drwm mewn systemau
delighted that that is newydd. Yr ydym yn falch
happening. However, I have iawn o'r hyn sydd yn
to say—and this is something digwydd. Fodd bynnag,
that David and I have mae'n rhaid imi ddweud—ac
discussed—that I regard the mae David a minnau wedi
introduction of such new trafod hyn—bod cyflwyno
systems as a substantial systemau mor newydd yn
control risk in itself and we risg rheoli sylweddol ynddo'i
will be keeping a close eye on hun yn fy marn i, a byddwn
it. However, I want to stress yn cadw llygad barcud arno.
the extent to which we are Fodd bynnag, hoffwn
working with the college to bwysleisio'r graddau yr
make sure that those things ydym yn gweithio gyda'r
are functioning. It is in our coleg i sicrhau bod y pethau
interest, too. We want to get hynny yn gweithredu. Mae o
it right. fudd i ninnau hefyd. Yr

ydym am iddo lwyddo.

[52] Jane Davidson: **So we are not talking about an early recategorisation, we are talking about a much longer-term decision of the funding council?**

[52] Jane Davidson: **Felly nid ydym yn sôn am ailgategoreiddio'n fuan, yr ydym yn sôn am benderfyniad llawer mwy tymor hwy ar ran y cyngor cyllido?**

Mr Martin: **I presume that you are pushing me towards saying when we will get to a satisfactory classification rather than a marginal one?**

Mr Martin: **Yr wyf yn tybio eich bod yn pwysu arnaf i ddweud pryd y byddwn yn cael ein categoreiddio yn foddhaol yn hytrach nag yn ymylol?**

[53] Jane Davidson: **In the interests of students in Wales, yes.**

[53] Jane Davidson: **Er budd myfyrwyr yng Nghymru, ydwyf.**

Mr Martin: **I hope that it will**

Mr Martin: **Hyderwn y bydd**

be very soon. I do not think yn digwydd yn fuan iawn.
that the classification as such Nid wyf o'r farn bod y
has any bearing on what dosbarthiad fel y cyfryw yn
happens to students in terms effeithio ar yr hyn sydd yn
of the psychology of the digwydd i'r myfyrwyr o ran
college—I mean not meddylfryd y coleg—hynny
directly—although things yw, nid yn uniongyrchol—er
sort of feed through. I will bod pethau'n llifo i lawr, fel
not be drawn, if I may, on petai. Gwrthodaf, os caf,
when this will happen. It will ddweud pryd y bydd hyn yn
happen—as I think that I digwydd. Bydd yn
have heard said in another digwydd—a chredaf fy mod
place—at the appropriate wedi clywed hyn mewn lle
time. 'When the criteria are arall—ar yr adeg briodol.
met' is the phrase, I think. 'Pan fodlonir y meini prawf'
yw'r ymadrodd, fe gredaf.

[54] Janet Davies: Dafydd [54] Janet Davies: Hoffai
would like to expand on one Dafydd ymhelaethu ar un o'r
issue. materion.

[55] Dafydd Wigley: Yr wyf [55] Dafydd Wigley: I want to
eisiau mynd yn ôl, os caf fi, go back, if I may, because I

oherwydd teimlaf ein bod yn feel that we are looking back
 edrych yn ôl ar yr hyn sydd at what has happened. There
 wedi digwydd. Mae are new governors, a new
 llywodraethwyr newydd, principal and new people in
 pennaeth newydd a phobl the funding council, and
 newydd yn y cyngor cyllido, therefore everything is okay.
 ac felly mae popeth yn iawn. However, the situation is that
 Fodd bynnag, y sefyllfa yw millions of pounds have been
 bod miliynau o bunnoedd lost and £2.9 million has to
 wedi eu colli a bod yn rhaid be repaid. Have we followed
 talu yn ôl £2.9 miliwn. A through—have you followed
 ydym wedi dilyn trwodd— through—on whether there
 ydych chi wedi dilyn are individuals or bodies that
 trwodd—a oes unigolion neu have financial responsibility
 gorfforaethau sydd â and which have perhaps
 chyfrifoldeb ariannol ac o shown personal or corporate
 bosibl wedi dangos negligence and whether there
 esgeulustod personol neu is a place to take action
 gorfforaethol a bod lle i against them?
 weithredu yn eu herbyn?

Nodaf fod y nodyn Trysorlys I note that the Treasury
 yn cyfeirio at y ffaith fod y minute refers to the fact that
 cyngor cyllido wedi cael the funding council has had

cyfarfodydd gyda Deloitte a meetings with Deloitte and Touche, er enghraifft, a bod Touche, for example, and cwestiwn yn codi a ydych yn that a question arises about cael arweiniad cyfreithiol whether you are getting legal ynglyn â chael iawndal gan guidance on getting Deloitte a Touche. Beth yw'r compensation from Deloitte sefyllfa o ran cael y cyrff, neu and Touche. What is the hyd yn oed unigolion, a oedd situation in terms of getting wedi dangos esgeulustod i bodies, or even individuals, dalu? Mae'n rhaid i'r neges that have shown negligence fynd allan o'r Cynulliad i'r to pay? The message must go sector cyhoeddus yng out from the Assembly to the Nghymru, pan fo esgeulustod public sector in Wales that gan unigolion neu gan gyrff, when negligence by ein bod yn disgwyl iddynt individuals or bodies occurs, orfod talu am hynny. Nid we expect them to have to yw'n deg fod y pwrs pay for that. It is not fair that cyhoeddus bob amser yn talu the public purse always pays pan fo esgeulustod gan bobl when there is negligence by yn y sector preifat neu gan people in the public sector or unigolion. by individuals.

Mr Martin: Yr wyf yn cymryd Mr Martin: I take that point y pwynt hwnnw o ddifrif. seriously. It is very

Mae'n holl bwysig. Fodd important. However, I was
bynnag, nid oeddwn o not around when the college
gwmpas pan benderfynodd y decided to get rid of the
coleg gael gwared o'r hen former principal. There were
bennaeth. Yr oedd rhesymau, reasons, in their opinion, to
yn eu barn hwy, i symud move on as soon as possible.
ymlaen cyn gynted ag oedd That has been reported in the
yn bosibl. Mae hynny wedi PAC's report.
cael ei adrodd yn adroddiad
y Pwyllgor Cyfrifon
Cyhoeddus.

I droi at Deloitte a Touche, To turn to Deloitte and
bydd yn rhaid imi droi at Touche, I will have to turn to
David Mason i ateb hynny, os David Mason to answer that,
caf i, achos mae David wedi if I may, because David has
bod yn ei ystyried. Gan y been considering it. The
coleg y mae cyfrifoldeb am college has responsibility for
hynny. Yr ydym wedi that. We have worked with
gweithredu gyda Deloittes i Deloittes to try to ensure that
geisio sicrhau na fydd such problems will not occur
problemau o'r math yn y in the future. I think that the
dyfodol. Credaf fod y Assembly, through officials,
Cynulliad, drwy swyddogion, has done other things in this

wedi gwneud pethau eraill yn context to ensure that lessons
y cyd-destun hwn i sicrhau are disseminated and shared
bod gwersi yn cael eu with public bodies in Wales
lledaenu a'u rhannu gyda in general.
chyrff cyhoeddus yng
Nghymru yn gyffredinol.

Mr Mason: I will just make Mr Mason: Hoffwn wneud un
one comment, Mr Wigley, if I sylw, Mr Wigley, os caf. Yr
may. You talked about the oeddech yn sôn am y pwrs
public purse paying the cyhoeddus yn ad-dalu'r
money back. I think that we arian. Credaf fod rhaid inni
have to hold our hands up in syrthio ar ein bai fel coleg
terms of the college but ond ni ddylai neb anghofio'r
people should not lose sight ffaith i'r arian ddod i mewn
of the fact that the money i'r coleg a chael ei wario o
came in and was spent within fewn y coleg. Oherwydd na
the college. It is because we ddylem fod wedi cael yr
should not have had that arian hwnnw yn y lle cyntaf y
money that we have to pay it mae'n rhaid inni ei ad-dalu.
back. In a sense, you could Ar un olwg, gallech ddadlau
argue the college has in some bod y coleg wedi elwa
way benefited from that rywfaint ar yr arian. Dim
money. I just make that ond nodi'r pwynt hwnnw yr

point.

wyf.

In terms of Deloitte and O ran Deloitte a Touche, mae Touche, that is a very hwnnw'n fater dyrys iawn i'r difficult issue for the college. coleg. Yr ydym yn symud We are being very cautious, gan bwyll, fel y byddwch yn as I am sure that you will gwerthfawrogi, mae'n siwr, appreciate, until we have nes ein bod wedi actually finalised with the cadarnhau'n derfynol gyda'r DfEE the size of the amount Adran Addysg a Cyflogaeth to be paid back. As I said, in faint yw'r swm y bydd yn broad terms it will be rhaid ei ad-dalu. Fel y towards the top end of the dywedais, yn fras iawn bydd figure that we talked about. tua phen uchaf y ffigur yr However, we need to have a oeddem yn ei grybwyll. Fodd precise figure. When we have bynnag, mae angen inni gael identified that precise figure ffigur manwl gywir. Pan and, if you like, Price fyddwn wedi nodi'r ffigur Waterhouse Coopers has manwl gywir a phan fydd given us chapter and verse on Price Waterhouse Coopers, why we have to pay that os mynnwch, wedi dweud y money back and why these cyfan wrthym pam bod yn claims were not valid, we will rhaid inni ad-dalu'r swm then take further legal advice hwnnw a pham nad yw'r

as to whether or not we should take action either against organisations or more importantly, perhaps, whether there are issues to do with individuals.

ceisiadau hyn yn ddilys, yna byddwn yn cael cyngor cyfreithiol pellach ynghylch a ddylem gymryd camau naill ai yn erbyn sefydliadau neu'n bwysicach fyth, efallai, a oes unrhyw faterion sydd yn ymwneud ag unigolion.

I think that the difficulty is that our early legal advice is that—and I stress that I am not a lawyer—if we are going to take action against, let us say, Deloitte and Touche, we would have to be able to demonstrate that there has been a material loss to the college in terms of that money. I am not trying to be silly about it, but we have had that money for about four or five years and we do not have to pay interest on it,

Credaf mai'r anhawster yw bod ein cyngor cyfreithiol cynnar yn cynghori—a phwysleisiaf nad cyfreithiwr ydwyf—y byddai'n rhaid inni allu profi bod y coleg wedi dioddef colled berthnasol mewn perthynas â'r arian hwnnw pe baem yn bwriadu cymryd camau, yn erbyn Deloitte a Touche, dyweder. Nid wyf am fod yn wirion ynglyn â hyn, ond bu'r arian hwnnw gennym er pedair neu bum mlynedd ac

as I understand, when we pay it back, so you could argue that far from a material loss, there has been a material gain. I know that that is a funny way of looking at it. So our difficulty is that we need very careful legal advice.

nid oes rhaid inni dalu llog arno, yn ôl yr hyn a ddeallaf, pan fyddwn yn ei ad-dalu, felly gellir dadlau ein bod ar ein hennill yn ariannol, yn hytrach na bod ar ein colled. Gwn fod hon yn ffordd ryfedd o ystyried y mater. Felly yr anhawster sydd gennym yw bod angen cyngor cyfreithiol gofalus iawn arnom.

The other thing is, in terms of protecting the public purse, clearly if one took legal action against a large corporate company like that, it would be a very expensive path to go down. I think that we will have to make a value judgment—myself and the governors; obviously we would take some advice from

Y peth arall, o safbwynt diogelu'r pwrs cyhoeddus, yw y byddech, wrth reswm, yn mynd ar hyd llwybr costus iawn pe baech yn cymryd camau cyfreithiol yn erbyn cwmni corfforaethol mawr o'r fath. Yr wyf o'r farn y bydd yn rhaid i ni ddod i farn ar sail gwerth—y llywodraethwyr a minnau;

others—as to whether going wrth gwrs y byddem yn
down that path of possibly a ymgynghori ag eraill—
huge amount of expenditure ynghylch a ydym am fynd ar
from the college budget, is hyd y llwybr hwnnw a allai
what we want to do. arwain at wariant enfawr o
However, I stress that once gyllideb y coleg. Fodd
we have the final figure and bynnag, hoffwn bwysleisio y
the reasons why we have to byddwn yn ymchwilio i'r
pay that money back, we will honiadau hynny, unwaith
explore those allegations. inni gael y ffigur terfynol a'r
rhesymau pam bod rhaid
inni ad-dalu'r arian hwnnw.

[56] Dafydd Wigley: Could I [56] Dafydd Wigley: A gaf
just follow through on that ddilyn hynny a phwyso
and press, obviously within arnoch, gan ddibynnu ar y
the constraints of the legal cyngor cyfreithiol yr ydych
advice that you get—you yn ei gael wrth gwrs—mae'n
have to follow that; I accept rhaid ichi ddilyn hynny;
that entirely—that if there is derbynïaf hynny yn llwyr—i
legal advice that shows that gymryd camau os cewch
there was culpability, that it gyngor cyfreithiol sydd yn
be acted upon. We know dangos bod beusrwydd.
from another part of the Gwyddom o ran arall o'r
report which we may come to adroddiad y byddwn yn ei

later, with regard to people thrafod yn nes ymlaen efallai,
 who were dismissed without ynglyn â phobl a
 going through the dismissal ddiswyddwyd heb fynd
 routine, or at least who were drwy'r drefn ddiswyddo, neu
 given notice and paid off o leiaf a gafodd rybudd a thâl
 without going through that terfynol heb fynd drwy'r
 routine—as we have seen in drefn honno—fel yr ydym
 another inquiry here—that wedi gweld mewn
 soft options have sometimes ymchwiliad arall yma—
 been taken. I think that it is mai'r dewisiadau hawsaf a
 important that full rigour is wnaethpwyd weithiau.
 applied so that in the future Credaf ei bod yn bwysig bod
 any individuals or bodies trylwyredd yn cael ei
 that are in the position of weithredu fel y bydd unrhyw
 advising or taking unigolyn neu gorff sydd yn
 responsibility know that rhoi cyngor neu sydd â
 there is a comeback and that chyfrifoldeb yn y dyfodol yn
 that comeback will come gwybod y bydd goblygiadau
 back and that people will not i'w weithredoedd a bydd y
 withdraw from it. I would be goblygiadau hynny'n dod i'r
 grateful if you could give a amlwg ac na fydd pobl yn
 commitment—within the tynnu'n ôl. Buaswn yn
 legal advice that you have—ddiolchgar pe baech yn
 that you will look to ymrwymo—gan ddibynnu ar
 maximise any steps that you y cyngor cyfreithiol a

can take.

gawsoch—i ystyried amlhau unrhyw gamau y gallwch eu cymryd.

Mr Mason: Perhaps I can just respond to that. I think that saying ‘yes, I can give that commitment’, goes without saying in a sense. I think that the evidence that the college and the governing body do take these matters seriously is in the fact that in the short time that I have been at the college—and for the first time in my career—we have taken disciplinary action against a number of members of staff who, as a result of our control mechanisms, have been found to be wanting in their actions. So I think that we can demonstrate

Mr Mason: A gaf ymateb i hynny. Credaf nad oes angen dweud ‘gallaf ymrwymo i hynny’ o reidrwydd, ar un olwg. Mae’r ffaith ein bod wedi cymryd camau disgyblu yn erbyn nifer o aelodau’r staff y canfuwyd o ganlyniad i’n mecanweithiau rheoli nad oeddent yn gweithredu’n briodol yn ystod y cyfnod byr ers imi fod yn y coleg—a hynny am y tro cyntaf yn fy ngyrfa—yn profi, yn fy marn i, bod y coleg a’r corff llywodraethol yn cymryd y materion hyn o ddifrif. Felly credaf y gallwn brofi ein didwylledd o ran hynny. Deallaf y mater yr ydych yn

steadfastness towards this. I ei godi.

understand the issue that you

raise.

Mr Martin: I think that it is important for the Committee to understand the extent of the funding council's powers in this area. They are interesting. What we can do, apart from exhort and so on, is to withhold grant or reclaim grant from a college where it has not been used in an appropriate way. However, who does that punish? That is a very difficult judgment for us. The colleges are responsible for the relationship with their external auditors, for instance, and for the relationship with the staff that they appoint. We cannot intervene directly in that. We

Mr Martin: Credaf ei bod yn bwysig bod y Pwyllgor yn deall graddau pwerau'r cyngor cyllido yn y maes hwn. Maent yn ddiddorol. Yr hyn y gallwn ei wneud, ar wahân i annog ac ati, yw peidio â rhoi grant neu adhawlio grant gan goleg pan na chaiff ei ddefnyddio mewn modd priodol. Fodd bynnag, pwy sydd yn cael ei gosbi drwy hynny? Mae hwnnw'n ddyfarniad anodd iawn inni. Y colegau sydd yn gyfrifol am y berthynas â'u harchwilwyr allanol, er enghraifft, ac am y berthynas â'r aelodau o'r staff y maent yn eu penodi. Ni allwn ymyrryd yn uniongyrchol yn

can discuss matters and so hynny o beth. Gallwn drafod on, but ultimately our only materion ac ati, ond yn y pen direct sanction is to withhold draw ein hunig gosb grant. I suggest that that uniongyrchol yw peidio â would not have been a rhoi grant. Awgrymaf na particularly clever thing for fyddai hynny yn beth doeth the council to contemplate in i'r cyngor ystyried ei wneud, circumstances like these. o dan amgylchiadau fel hyn.

[57] Brian Gibbons: I have a [57] Brian Gibbons: Mae few questions on Deloitte and gennyf ychydig gwestiynau Touche. First of all, I gather ynglyn â Deloitte a Touche. that the college appointed the Yn gyntaf oll, yr wyf yn tybio company, but did it appoint mai'r coleg a benododd y it from an approved list of cwmni, ond a benododd ef o companies? Is the company restr gymeradwy o still contracted as external gwmnïau? A yw'r cwmni'n auditors to other colleges in parhau i fod o dan gontract Wales? Is anyone monitoring fel archwilwyr allanol i this company's performance golegau eraill yng Nghymru? in relation to these other A oes unrhyw un yn monitro colleges? If monitoring is perfformiad y cwmni hwn taking place, who is mewn perthynas â'r colegau undertaking that? From the hyn? Os caiff ei fonitro, pwy

documentation that we have received, it seems that this is the second time that Deloitte and Touche has found itself in this situation. So that is a cause of worry for me.

sydd yn gwneud hynny? Yn ôl y ddogfennaeth yr ydym wedi ei chael, ymddengys mai hwn yw'r ail dro i Deloitte a Touche fod yn y sefyllfa hon. Felly mae hynny'n achos pryder imi.

Mr Martin: I would like to bring in Richard Hirst, the director of finance who has been working directly on this, but I can say in general terms that I understand that the company does still do some of this work in Wales. We have done what we can by working with the new senior partner in the Bristol office. The Cardiff office has changed or disappeared; I am not sure which. However, we are now working with another part of that

Mr Martin: Hoffwn ofyn i Richard Hirst, y cyfarwyddwr cyllid sydd wedi bod yn gweithio'n uniongyrchol ar hyn, ymateb, ond yn gyffredinol gallaf ddweud fy mod ar ddeall bod y cwmni hwn yn parhau i wneud rhywfaint o'r gwaith hwn yng Nghymru. Yr ydym wedi gwneud yr hyn a allwn drwy weithio gyda'r uwch bartner newydd yn y swyddfa ym Mryste. Mae'r swyddfa yng Nghaerdydd naill ai wedi newid neu wedi

organisation. We are making clear what our expectations are, and we have also made it clear to colleges—and I believe that the Assembly has also taken action in this area with all public bodies—that they should make absolutely plain what requirements should be placed on auditors and not leave it to vague promises about high professional standards and so on. So there is a continuing programme of work going on there. However, perhaps I could invite, with your permission, Richard Hirst to say something about exactly how we monitor this.

diflannu; ni wn pa un. Fodd bynnag, yr ydym bellach yn gweithio gyda rhan arall o'r sefydliad hwnnw. Yr ydym yn ei gwneud yn glir beth yw ein disgwyliadau, ac yr ydym hefyd wedi ei gwneud yn glir i'r colegau—a chredaf fod y Cynulliad hefyd wedi cymryd camau yn y maes hwn gyda'r holl gyrff cyhoeddus—y dylent ei gwneud yn gwbl eglur beth sydd yn ofynnol i'r archwilwyr ei gyflawni a pheidio â dibynnu ar addewidion annelwig ynglyn â safonau proffesiynol uchel ac ati. Felly mae rhaglen waith barhaus yn mynd yn ei blaen yn y maes hwnnw. Fodd bynnag, os caf wahodd Richard Hirst, gyda'ch caniatâd, i ddweud ychydig am sut yn union yr ydym yn monitro hyn.

Mr Hirst: In answer to the first part of the question, the funding council does not approve a list of external auditors from which colleges can choose. Those companies that are qualified to carry out audits under the normal Companies Act 1985 regulations are qualified to act for further education institutions. It is the responsibility of the governing body to choose its external auditors on that basis. As Steve Martin said, we have worked very closely with Deloitte and Touche since the events at Gwent. It is fair to say that it has had a concern that its actions and professional standing should be maintained or improved

Mr Hirst: I ateb y rhan gyntaf o'r cwestiwn hwn, nid yw'r cyngor cyllido yn paratoi rhestr gymeradwy o archwilwyr allanol y mae'r colegau yn gallu dewis ohoni. Mae'r cwmnïau hynny sydd yn gymwys i gynnal archwiliadau o dan reoliadau arferol Deddf Cwmnïau 1985 yn gymwys i weithredu dros y sefydliadau addysg bellach. Cyfrifoldeb y corff llywodraethol yw dewis ei archwilwyr allanol ar y sail honno. Fel y dywedodd Steve Martin, yr ydym wedi gweithio'n agos iawn gyda Deloitte a Touche ers y Ngholeg yng Gwent. Mae'n deg dweud ei fod wedi bod yn pryderu y dylai wella neu gynnal ei

in this sector following those events. weithredoedd a'i safle proffesiynol yn y sector hwn yn sgîl y digwyddiadau hynny.

So we have completed those actions outlined by Steve Martin. It is fair to say that Deloitte and Touche has been proactive in seeking to work with the funding council. For example, as well as the standard external audit of institutions, we require external auditors to audit the student number data that colleges submit to us because that data is so crucial in determining the funding allocations that we make to institutions. Deloitte and Touche has been proactive in working with us to seek a clear understanding of the

Felly yr ydym wedi cwblhau'r camau hynny a nodwyd gan Steve Martin. Mae'n deg dweud bod Deloitte a Touche wedi bod yn rhagweithredol o ran ceisio gweithio gyda'r cyngor o gyllido. Er enghraifft, yn ogystal â chynnal archwiliadau allanol safonol o gyfrifon ariannol sefydliadau, yr ydym yn ei gwneud yn ofynnol i'r archwilio'r data sydd yn ymwneud â nifer y myfyrwyr y mae'r colegau yn ei gyflwyno inni am fod y data hwnnw yn holl bwysig wrth benderfynu ar y dyraniadau

work that we expect audit firms to carry out in that area. I think that there is concern on its side as well as on ours that what happened in Gwent should not happen again.

arian yr ydym yn eu rhoi i'r sefydliadau. Bu Deloitte a Touche yn rhagweithredol wrth weithio gyda ni i geisio deall yn glir yr hyn y disgwyliwn i'r cwmnïau archwilwyr ei gyflawni yn y maes hwnnw. Yr wyf o'r farn bod y naill ochr a'r llall yn pryderu na ddylai'r hyn a ddigwyddodd yng Ngholeg Gwent ddigwydd eto.

[58] Brian Gibbons: Do we know how many colleges it is working with now?

[58] Brian Gibbons: A wyddoch faint o golegau y mae'n gweithio gyda hwy ar hyn o bryd?

Mr Hirst: I will turn to a colleague for that answer.

Mr Hirst: Gofynnaf i un o'm cydweithwyr ateb hynny.

Mr Thomas: I do not know the current position on that.

Mr Thomas: Ni wn beth yw'r sefyllfa gyfredol.

Mr Hirst: It is a handful but it is certainly still active in the sector.

Mr Hirst: Llond dwrn ydyw ond yn sicr mae'n weithgar o hyd yn y sector hwn.

[59] Brian Gibbons: I am amazed that we cannot get a hard answer to that question. How can we monitor if we cannot even answer how many colleges—

[59] Brian Gibbons: Yr wyf yn synnu clywed na allwn gael ateb manwl gywir i'r cwestiwn hwnnw. Sut gallwn fonitro os na allwn gael ateb ynglyn â faint o'r colegau—

Mr Hirst: Would it be helpful if we were to submit a memorandum setting out for how many institutions it acts as internal and external auditors?

Mr Hirst: A fyddai'n ddefnyddiol inni gyflwyno memorandwm sydd yn nodi dros faint o'r sefydliadau y mae'n gweithredu fel archwilwyr mewnol neu archwilwyr allanol?

[60] Janet Davies: Yes, I think that that would be very credaf y byddai hynny'n

[60] Janet Davies: Byddai,

helpful.

ddefnyddiol iawn.

Mr Shortridge: This is Mr Shortridge: Yr oedd hyn something that I personally yn fater difrifol iawn yn fy took very seriously and on nhyb i ac yr oeddwn am weld which I wanted to have camau dilynol yn cael eu follow-up action. Deloitte and cymryd yn ei gylch. Mae Touche is a major firm and Deloitte a Touche yn un o'r one has to be very careful prif gwmnïau ac mae'n rhaid about what one does and says bod yn ofalus iawn ynglyn publicly in relation to a â'r hyn y mae rhywun yn ei major firm that has a wneud neu'n ei ddweud yn reputation. However, we gyhoeddus parthed cwmni have written to the Institute mawr a chanddo enw da. of Chartered Accountants in Fodd bynnag, yr ydym wedi England and Wales so that it ysgrifennu i Sefydliad y can consider whether there Cyfrifwyr Siartredig yng are any actions that it needs Nghymru a Lloegr fel y gall to take in relation to the ystyried a oes angen iddo quality of work completed by gymryd unrhyw gamau ai Deloitte and Touche. The peidio parthed ansawdd y institute has referred that to gwaith a gwblhawyd gan its professional standards Deloitte a Touche. Mae'r office. We have also written sefydliad wedi cyfeirio'r

to all the chief executives of achos hwnnw i'w swyddfa
 Asembly sponsored public safonau proffesiynol. Yr
 bodies in Wales to draw their ydym hefyd wedi ysgrifennu
 attention to the PAC's at bob prif weithredwr corff
 comments and cyhoeddus yng Nghymru
 recommendations relating to sydd o dan nawdd y
 the adequacy of Deloitte and Cynulliad i dynnu sylw at
 Touche's work. In that letter, sylwadau'r PCC a'r
 we drew their attention to argymhellion sydd yn
 particular issues on which ymwneud â digonolrwydd
 they should focus when gwaith Deloitte a Touche. Yn
 engaging firms of y llythyr hwnnw, tynnwyd eu
 accountants. sylw gennym at y materion
 penodol y dylid canolbwyntio
 arnynt wrth benodi cwmni o
 gyfrifwyr.

[61] Brian Gibbons: That is [61] Brian Gibbons: Mae
 more reassuring. Thank you. hynny'n rhoi mwy o
 sicrwydd. Diolch yn fawr.

Mr Mason: Just to answer the Mr Mason: I ateb i ran arall
 other part of the gentleman's cwestiwn y gwr bonheddig, y

question, the procedure that weithdrefn a ddefnyddiwyd
we underwent in terms of gennym i benodi ein
appointing our new external harchwilwyr allanol newydd
auditors is the one that we yw'r un a ddefnyddiwn ar
use for all services. We went gyfer pob un o'r
out to tender and many firms gwasanaethau. Cynigiwyd y
were invited to tender, in gwaith ar dendr gennym a
fact, Deloitte and Touche gwahoddwyd nifer o
were one of them. We gwmniau i dendro, yn wir, yr
decided that we would offer oedd Deloitte a Touch yn eu
the contract to Price plith. Penderfynasom y
Waterhouse Coopers. byddem yn cynnig y contract
i Price Waterhouse Coopers.

[62] Janet Davies: We will [62] Janet Davies: Cawn
now have a brief break. egwyl fach yn awr.

[Cafwyd egwyl goffi rhwng 11.00 a.m. ac 11.11 a.m.]

[A coffee break was held between 11.00 a.m. and 11.11 a.m.]

[63] Janet Davies: Welcome back. We need to start as quickly as possible. I want now to look at what is being done to put matters right. That is more important than going over old ground. Mr Mason, can you give us some information on the current financial position of the college? I know that you touched on that, but what are your latest forecasts for the position at the end of this year and next?

[63] Janet Davies: Croeso'n ôl. Mae angen inni ddechrau cyn gynted â phosibl. Hoffwn yn awr ystyried yr hyn sydd yn cael ei wneud i unioni'r sefyllfa. Mae hynny'n bwysicach na chodi hen grachen. Mr Mason, a wnewch roi gwybod inni am sefyllfa ariannol gyfredol y coleg? Gwn eich bod wedi crybwyll hynny eisoes, ond beth yw eich rhagolygon diweddaraf o'r sefyllfa ar gyfer diwedd y flwyddyn a'r flwyddyn nesaf?

Mr Mason: I am happy to give that information. I will refer to two sets of figures. You might want to mention something about the plan for next year, but you are asking for the end of year

Mr Mason: Bydd yn dda gennyf roi'r wybodaeth honno. Cyfeiriai at ddwy set o ffigurau. Efallai y byddech am imi sôn ychydig am y cynllun ar gyfer y flwyddyn nesaf, ond yr ydych yn gofyn

forecast for this year?

**am y rhagolwg diwedd y
flwyddyn ar gyfer eleni onid
ydych?**

[64] Janet Davies: Yes.

[64] Janet Davies: Ydwyf.

Mr Mason: This will be the latest forecast. It will have come from the management accounts at their most recent stage.

**Mr Mason: Hwn yw'r
rhagolwg diweddaraf. Daw
o'r cyfrifon rheoli ar eu cam
diweddaraf.**

We are forecasting that at the end of this year, 31 July, we will have a small operating surplus of £188,000. Again, bear in mind, to put it in context, the budget target that we set ourselves for this year. When we set the budget at the beginning of the year, the corporation approved a budget that was break even

**Yr ydym yn rhagweld y bydd
gennym warged gweithredol
o £188,000 erbyn
diwedd y flwyddyn hon, sef
31 Gorffennaf. Unwaith eto,
i'w roi yn ei gyd-
destun, y targed cyllideb a
ni ein hunain ar
gyfer eleni. Pan bennwyd y
gyllideb gennym ar
ddechrau'r flwyddyn,
cymeradwyodd y gorfforaeth**

at the operating level. Last year we had a small deficit and the year before that the deficit was just over £1 million. Therefore, we set ourselves a target that this year we wanted to be able to say that we had broken even, because once you break even, you are out of the woods a bit. While you have a deficit hanging around, it is more difficult.

gyllideb a oedd yn adennill costau ar lefel weithredol. Y llynedd, diffyg bach a oedd gennym a'r flwyddyn cyn hynny diffyg o ychydig dros £1 miliwn oedd gennym. Felly, pennwyd targed gennym fel y gallwn ddweud eleni ein bod wedi adennill costau, oherwydd unwaith eich bod wedi adennill costau, yr ydych bron allan o berygl. Mae'n anos tra bod gennych ddiffyg o hyd.

We look as though we will do slightly better than break even, although I would stress that £188,000 in a budget of about £38 million, means that, in essence, we will have achieved our break even. However, I would rather achieve the break even on the

Byddwn yn gwneud ychydig yn well nag adennill costau yn ôl pob golwg, er yr hoffwn bwysleisio bod £188,000 o ran cyllideb o tua £38 miliwn yn golygu y byddwn, yn y bôn wedi adennill costau. Fodd bynnag, byddai'n well gennyf adennill costau ar yr

positive rather than the ochr bositif na'r ochr
negative side. negyddol.

We have a strategic aim over Mae gennym nod strategol
the coming years to deliver yn ystod y blynyddoedd i
an operating surplus of ddod i gyflwyno gwarged
around £1 million a year. So gweithredol o tua £1 miliwn y
what I am really saying is flwyddyn. Felly yr hyn yr
that we are on an upward wyf yn ei ddweud mewn
path. For this year, we are gwirionedd yw ein bod ar
confident that we will deliver lwybr ar i fyny. Ar gyfer
just above a break-even eleni, yr ydym yn ffyddiog y
position. byddwn yn adennill costau o
ychydig.

I am happy to give you any Byddai'n dda gennyf roi
other information but I do unrhyw wybodaeth arall ond
not want to blind you with nid wyf am eich drysu gyda
figures. ffigurau.

[65] Janet Davies: That is [65] Janet Davies: Mae
sufficient. Thank you. hynny'n ddigon. Diolch yn
fawr.

[66] Alison Halford: I have a [66] Alison Halford: Mae tranche of questions, but I gennyf lwyth o gwestiynau, would be grateful if I could ond buaswn yn ddiolchgar pe ask Mr Martin to go back to gallwn ofyn i Mr Martin the question that he ddychwelyd at y cwestiwn a answered from Dafydd atebodd i Dafydd Wigley. Yr Wigley. I am concerned wyf yn pryderu ynghylch y about the culture of diwylliant o complacency. Nobody is hunanfodlonwydd. Nid oes blamed. Only the taxpayer neb ar fai. Y trethdalwr yn picks up the tab. We must be unig sydd yn talu'r pris. careful about what criticism Mae'n rhaid inni ofalu we make of the accountants, ynglyn â'r modd yr ydym yn yet we have a situation where beirniadu'r cyfrifwyr, ond a chair and a vice chair—and eto mae gennym sefyllfa lle this has all been rehearsed in mae cadeirydd ac is-public—allow a woman who gadeirydd—ac mae hyn oll has let her college down wedi digwydd yn badly to walk away with a gyhoeddus—wedi caniatáu i well-enhanced package. She fenyw sydd wedi siomi ei received £10,000 over the choleg yn arw gerdded i odds, other perks and a ffwrdd â phhecyn llawer gwell. confidentiality clause. It Cafodd £10,000 yn

caused enormous distress ychwanegol, buddiannau
and nobody is going to pick eraill a chymal cyfrinachedd.
up the tab, yet you say that Achosodd gryn
the model is fine? I would be anniddigrwydd ac ni fydd
grateful if you could work neb yn talu'r pris, eto i gyd
through that system. yr ydych yn honni nad oes

dim o'i le ar y model?

Buaswn yn ddiolchgar pe

baech yn egluro'r system

honno fesul cam.

Mr Martin: I hope that I did Mr Martin: Gobeithiaf nad
not suggest in either wyf wedi awgrymu yn y naill
language that the model is iaith na'r llall bod y model
fine. What I was trying to yn berffaith. Yr hyn yr
suggest is that we are trying oeddwn yn ceisio ei awgrymu
to make the model work as yw ein bod yn ceisio sicrhau
well as we can. Any model ein bod yn gweithredu'r
will not work properly unless model cystal ag y gallwn. Ni
it is properly controlled and fydd unrhyw fodel yn
governed and audited. gweithredu'n briodol oni
Goodness knows there are chaiff ei reoli a'i lywodraethu
enough sagas in the public a'i archwilio. Dyn a wyr bu
sector, some of them very digon o sagâu yn y sector

recent, of control systems cyhoeddus, rhai ohonynt yn
breaking down tragically. ddiweddar iawn, lle mae
Therefore, I am not systemau rheoli wedi torri i
complacent about that. My lawr a hynny'n drychinebus.
job as accounting officer is to Felly, nid wyf yn
work with the model and the hunanfodlon ynglyn â hynny.
framework that we have, and Fy swydd i fel swyddog
within the law, and to make cyfrifo yw gweithio gyda'r
that work. I was saying that I model a'r fframwaith sydd
am confident about our gennym, ac yn unol â'r
ability to do this—but I gyfraith, a sicrhau bod
cannot give absolute hynny'n gweithio. Yr
guarantees. I cannot think of oeddwn yn dweud fy mod yn
any context, including that of ffyddiog ynglyn â'n gallu i
the health service or of local wneud hyn—ond ni allaf roi
government, where you can sicrwydd llwyr. Ni allaf
have absolute guarantees. It feddwl am unrhyw gyd-
is a matter of eternal destun, gan gynnwys y
vigilance. You must ensure gwasanaeth iechyd neu
that the systems are in place lywodraeth leol, lle gallwch
and you must operate them. gael sicrwydd llwyr. Mater o
We will do what we can with oruchwyliaeth ddi-baid
this framework. I must leave ydyw. Mae'n rhaid ichi
it to others to judge whether sicrhau bod y systemau yn eu
or not that is enough, but we lle ac mae'n rhaid ichi eu

will do our best. Sorry, was there another leg to your question?

gweithredu. Byddwn yn

gwneud yr hyn a allwn

gyda'r fframwaith hwn.

Mae'n rhaid imi ildio i farn

pobl eraill a yw hynny'n

ddigonol ai peidio, ond

byddwn yn gwneud ein gorau

glas. Mae'n ddrwg gennyf, a

oedd rhan arall i'ch

cwestiwn?

[67] Alison Halford: I take that to mean that nobody gets punished.

[67] Alison Halford: Tybiaf fod hynny'n golygu na chaiff neb gosb.

Mr Martin: No. Sorry, that was the point that I should have picked up on. My predecessor made it very clear to the chairman of governors that he did not believe that the settlement of Sue Parker's claim should

Mr Martin: Nag ydyw. Mae'n ddrwg gennyf, hwn oedd y pwynt y dylwn fod wedi ei drafod. Yr oedd fy rhagflaenydd wedi ei gwneud yn hollol eglur i gadeirydd y llywodraethwyr ei fod o'r farn na ddylai cais Sue

have been for more than her Parker fod wedi cael ei setlo
 contractual entitlement. ar lefel uwch na'i hawl
 However, she had a gytundebol. Fodd bynnag, yr
 contractual entitlement. Also, oedd ganddi hawl
 before the changes that were gytundebol. Hefyd, cyn i'r
 made by the Assembly in Cynulliad wneud newidiadau
 October 1999, which we very ym mis Hydref 1999, yr
 much welcome, it was not ydym yn eu croesawu'n fawr
 possible simply to sack Sue iawn, yn syml iawn, nid oedd
 Parker. A process had to be modd diswyddo Sue Parker.
 gone through. The college Yr oedd yn rhaid dilyn y
 would have faced a period of drefn. Byddai'r coleg wedi
 not having a permanent wynebu cyfnod pan nad oedd
 principal and of not having ganddo brifathro a phan na
 the ability to move on in the allai fod wedi symud ymlaen
 way that it has under new yn y ffordd y bu o dan y
 management. That was a rheolwyr newydd. Yr oedd
 tough judgment for the yn benderfyniad anodd i'r
 governors, but the llywodraethwyr, ond
 displeasure of John Andrews, mynegodd John Andrews, fy
 my predecessor, was made rhagflaenydd, ei
 plain. The only power that anfodlonrwydd yn ddi-
 the council had to act directly flewyn ar dafod. Yr unig
 in those circumstances would bwer a oedd gan y coleg i
 have been to withhold grant. weithredu'n uniongyrchol

We could only do that in fyddai peidio â rhoi grant. Ni those circumstances if we felt allwn wneud hynny ond o that the behaviour of the dan yr amgylchiadau hynny college governors had been pe baem o'r farn bod unreasonable by a ymddygiad llywodraethwyr y Wednesbury test of coleg wedi bod yn afresymol, reasonableness, which is a yn ôl prawf rhesymoldeb very severe one, namely that Wednesbury, sydd yn un no reasonable person, given llym iawn, sef na fyddai those facts and unrhyw berson rhesymol, o circumstances, would have ystyried y ffeithiau a'r behaved differently. amgylchiadau hynny, wedi ymddwyn yn wahanol.

I cannot put my hand on my Ni thyngaf lw—ni cheisiaf heart—I will not try to be fod yn hunangyfiawn, a holier than thou, having only minnau dim ond wedi dod i'r lately come into the sefyllfa yn ddiweddar—a situation—and say that, dweud nad oedd unrhyw faced with those amheuaeth bod y coleg, dan circumstances, it is beyond wynebu'r amgylchiadau doubt that the college was hynny, yn afresymol wrth unreasonable in taking that wneud y penderfyniad decision. I agree with the hwnnw. Yr wyf yn cyd-fynd

Committee and the â'r Pwyllgor a'r teimladau yr
 sentiments that you are ydych yn eu mynegi, ei bod
 expressing, that it is very yn destun gofid os felly y'i
 regrettable if that is dehonglir sef bod rhywun yn
 interpreted as somebody dianc rhag cosb. Fodd
 getting away with it. bynnag, gobeithiaf y bydd y
 However, I hope that the cyhoeddusrwydd y mae hyn
 publicity that this has wedi'i dderbyn gan y
 received from the Public Pwyllgor Cyfrifon
 Accounts Committee and will Cyhoeddus ac y bydd yn ei
 receive from this Committee dderbyn gan y Pwyllgor hwn
 means that people do not get yn golygu na fydd pobl yn
 off the hook. They might not dianc rhag cosb. Efallai nad
 be paying in terms of their ydynt yn talu'r pris yn
 pockets, but in terms of their ariannol, ond o ran eu henw
 reputations and so on, I think da ac ati, credaf fod hyn yn
 that this is extremely niweidiol. Mae pa un ai a
 damaging. Whether we ddylem fynd ymhellach yn
 should go further depends on dibynnu ar y fframwaith y
 the framework within which gweithredir o'i fewn. Pe bai
 one is operating. If this arose hyn yn digwydd eto,
 again, it would be possible to byddai'n bosibl gwahardd
 suspend, with or without pay, unigolyn, gyda chyflog neu
 or to summarily dismiss heb gyflog, neu'n ei
 someone in these ddiswyddo'n ddiannod o dan

circumstances. Those were yr amgylchiadau hyn. Nid
not powers available at the oedd y pwerau hynny ar gael
time. bryd hynny.

[68] Alison Halford: **Before I** [68] Alison Halford: **Cyn imi**
move on to ask Mr Mason to symud ymlaen i ofyn i Mr
discuss staff demoralisation, Mason drafod yr ysbryd isel
my final comment is that it ymhlith y staff, fy sylw olaf
cannot be good for the unions yw na allai fod yn beth da i'r
to see Mrs Parker walk away undebau weld Mrs Parker yn
with a very good reference cerdded i ffwrdd â geirda da
and undertaking another iawn ac yn ymgymryd â
job—presumably in a public swydd arall—yn y sector
situation—when the rules of cyhoeddus, debyg iawn—am
engagement do not allow that nad yw'r rheolau yn caniatáu
sort of individual to be called bod yn rhaid i unigolyn o'r
to account. fath roi cyfrif ohoni'i hun.

Mr Martin: **As I have said, the** Mr Martin: **Fel y dywedais,**
arrangements have now mae'r trefniadau wedi newid
changed. It would now be bellach. Byddai'n bosibl yn
possible for a governing body awr i gorff llywodraethol
to summarily dismiss or to ddiswyddo unigolyn yn

suspend and move on. ddiannod neu ei wahardd a
However, it did not have symud ymlaen. Fodd bynnag,
those powers available to it. nid oedd ganddo'r pwerau
In the spirit of looking hynny bryd hynny. Gan
forward to operating these edrych ymlaen at ddelio â'r
matters better, I hope that, if materion hyn yn well yn y
anything even remotely like dyfodol, gobeithiaf na
this arose again, the fyddai'r corff llywodraethol
governing body would not yn oedi cyn defnyddio'r
hesitate to use those powers. pwerau hynny pe bai
I know that behind the rhywbeth cyffelyb o'r braidd
scenes—and I would act in yn digwydd eto. Gwn na
the same way—my fyddai fy rhagflaenydd y tu
predecessor was not slow to ôl i'r drysau cudd—a
engage with governing bodies byddwn yn gweithredu'n
and to give them his best union yr un fath—yn oedi
advice, not just in this cyn cysylltu â'r cyrff
instance, but in others in the llywodraethol a rhoi ei
past, where there were gyngor gorau iddynt, nid yn
problems of this sort. What unig yn yr achos hwn, ond
he could not do is make them mewn achosion eraill yn y
do things that the law says gorffennol, pan gafwyd
are their responsibility and problemau o'r fath. Yr hyn
not his. It would be the same na allai ei wneud oedd eu
with me, but I will do gorfodi i wneud pethau a

everything within my powers to ensure that these matters are acted on properly.

oedd, yn ôl y gyfraith, yn rhan o'u cyfrifoldebau hwy ac nid ei gyfrifoldebau ef. Byddai'n union yr un peth imi, ond gwnaf bopeth o fewn fy ngallu i sicrhau y gweithredir ar y materion hyn mewn modd priodol.

[69] Alison Halford: Thank you. Mr Mason, it has been suggested that you have taken some time in achieving a settlement with the unions for the pay increase and also the termination of the industrial action. Can you explain why, please?

[69] Alison Halford: Diolch yn fawr. Mr Mason, awgrymwyd eich bod wedi cymryd peth amser i ddod i gytundeb â'r undebau ynglyn â'r codiad cyflog a hefyd wrth ddatrys y gweithredu diwydiannol. A wnewch esbonio pam, os gwelwch yn dda?

Mr Mason: If you could bear with me, Chair, because I know that you are trying to

Mr Mason: Maddeuwch imi, Gadeirydd, gwn eich bod am symud ymlaen, ond credaf ei

move on, but I do think that bod yn eithaf pwysig fy mod
 it is quite important just to yn rhoi braslun o'r cefndir.
 quickly sketch in the Ar ddiwedd 1997, yn fuan ar
 background. In late 1997, ôl i Sue Parker
 shortly after Sue Parker had ymddiswyddo, cymerodd y
 resigned, the governing body, corff llywodraethol nifer o
 on the advice of external gamau, ar gyngor pobl
 people, took a number of allanol. Hoffwn nodi i'r
 actions. I want to put on cofnod y byddwn wedi
 record that I would support cefnogi'r camau, yn yr ystyr
 the actions, in the sense that bod yn rhaid atal y llif.
 it had to stem the Gwelodd fod y diffyg yn
 haemorrhage. It saw the cynyddu ac felly cymerwyd
 deficit that was building up nifer o gamau. Yr oedd y
 and so a number of actions camau hynny yn cynnwys—
 were taken. Those actions ac nid oes ffordd arall o
 involved—and there is no ddweud hyn—dileu
 other way of putting it— trefniadau y cytunwyd
 withdrawing contractually arnynt drwy gontract ac y'u
 agreed arrangements that cyd-drafodwyd â'r undeb
 had been negotiated with the llafur. Ymhlith y trefniadau
 trade union. There was an yr oedd cytundeb baich
 arrangement called the gwaith yr oedd Sue Parker
 workload agreement that Sue wedi ei gyd-drafod â'r
 Parker had negotiated with undebau llafur ac yr wyf yn

the trade unions and I am siwr bod yr undebau o'r farn
sure that the unions felt in mai cytundeb didwyll
good faith that they had a ydoedd. Y cam arall a
deal. The other action that gymerodd y corff
the governing body took was llywodraethol oedd gostwng
to reduce the rate paid to y gyfradd a dalwyd i'r
part-time teachers in the athrawon rhan amser yn y
college. This was all what I coleg. Ymateb mewn
would call a crisis response to argyfwng er mwyn atal y llif
a haemorrhage. We were oedd hyn oll, yn fy nhyb i. Yr
going broke. There is no oeddem yn mynd i'r wal. Nid
doubt about that. oes dwywaith am hynny.

The trade unions quite Yr oedd yr undebau llafur
understandably felt that they o'r farn, a hynny'n hollol
had a deal and management gyfiawn, eu bod wedi taro
had reneged on that deal. bargaen a bod y rheolwyr
This probably was not helped wedi torri eu gair. Nid oedd y
by the context that you have cyd-destun a ddisgrifiwyd
just given, but they felt very gennyh fawr o help wrth
strongly that management reswm, ond yr oeddent yn
got them into this mess and gryf o'r farn mai'r rheolwyr
that now they have to pay the a oedd wedi gwneud cawl o
price. That was the bethau a bellach bod yn

environment that we were in. rhaid iddynt dalu'r pris.
A ballot was taken at the end Dyna oedd y sefyllfa yr
of 1997 for industrial action. oeddem ynddi. Cynhaliwyd
They voted in favour of pleidlais ar ddiwedd 1997
industrial action short of a ynglyn â gweithredu
strike or strike action, if it diwydiannol. Pleidleisiasant
was called for by the union. o blaid gweithredu
diwydiannol ac eithrio streic
neu weithredu streicio, pe
bai'r undeb yn galw am
hynny.

I arrived in April 1998, and Cyrhaeddais ym mis Ebrill
this industrial action was 1998, ac yr oedd y
ticking away. As the end of gweithredu diwydiannol fel
that financial year petai yn llusgo ymlaen o hyd.
approached, we could see Wrth i ddiwedd y flwyddyn
that we were going to have ariannol honno ddynesu,
another deficit, although gallwn weld y byddai diffyg
significantly reduced from arall gennym, er y byddai
that of the previous year. We dipyn yn llai na diffyg y
received notification from the flwyddyn flaenorol. Fe'n
funding council that our hysbyswyd gan y cyngor
funding was being reduced, cyllido ei fod yn gostwng ein
purely because of our student harian, oherwydd, yn syml,

numbers. I think that Mr nifer y myfyrwyr oedd
Martin mentioned this gennym. Credaf i Mr Martin
earlier. We had had what sôn am hyn yn gynharach.
appeared to have been a drop Ymddangosodd fod nifer y
in student numbers the myfyrwyr yn y coleg wedi
previous year, which affected gostwng yn ystod y flwyddyn
our funding for the following flaenorol, a effeithiodd ar ein
year. So we were suddenly harian, i'r flwyddyn
faced with something like a ganlynol. Felly yn sydyn
£2 million reduction in our iawn yr oeddem yn wynebu
funding. sefyllfa lle yr oedd ein harian
yn gostwng tua £2 miliwn.

That was in May of that year Digwyddodd hynny ym mis
and we were setting the Mai yn y flwyddyn honno
budget for the next year. The pan oeddem wrthi'n pennu'r
corporation supported my gyllideb ar gyfer y flwyddyn
recommendation that the nesaf. Cefnogodd y
staff, for a second year—and gorfforaeth fy argymhelliad
I stress that it was for a na ddylai'r staff am yr ail
second year—should not flwyddyn o'r bron—a
have a pay rise. I can phwysleisiaf mai'r ail
absolutely understand how flwyddyn ydoedd—gael
the staff must have felt. You codiad cyflog. Deallaf yn

see what has happened, and llwyr sut y byddai'r staff yn then, for a second year, you teimlo. Yr ydych yn gweld yr do not get a pay rise. Staff, hyn a ddigwyddodd, ac yna, understandably, were am yr ail flwyddyn o'r bron, incensed. nid ydych yn cael codiad cyflog. Yr oedd y staff, wrth reswm wedi gwylltio.

Then, in July, we had no Yna, ym mis Gorffennaf, nid money, and we started cash- oedd unrhyw arian gennym, managing the business. Very ac yr oedd yn rhaid inni tight controls were placed on reoli'r busnes ar sail arian the whole of the college. I parod. Rhoddwyd mentioned earlier that my rheolaethau tynn iawn ar finance director signed every waith ar draws y coleg cyfan. purchase requisition. Soniais yn gynharach fod fy People's perception in the nghyfarwyddwr cyllid yn college was that they llofnodi pob archeb brynu. suddenly could not spend any Yr oedd pobl yn y coleg yn money on anything. Their teimlo nad oeddent, yn sydyn perceptions, from a rather iawn, yn cael gwario arian ar profligate situation, of what unrhyw beth bellach. Yr was important and our oedd yr hyn a oedd yn perceptions of what was bwysig, o ran gwariant, yn

important in terms of spend, ein tyb ni, yn wahanol iawn
 were very different. I will i'r hyn a oedd yn bwysig
 just give you one trivial iddynt hwy o'u safbwynt
 example. There was an order afradlon braidd. Rhoddaf
 for 150 gold-leafed desk enghraifft fach ichi. Bob
 diaries, which had been blwyddyn yr oedd 150 o
 ordered every year. ddyddiaduron desg ag
 Obviously we did not buy ymylon aur yn cael eu
 them that year. So the staff's harchebu. Wrth gwrs nis
 perceptions began to build prynwyd gennym yn y
 up. flwyddyn honno. Felly y
 dechreuodd teimladau'r staff
 gronni.

In the summer of 1999, we Yn ystod haf 1999,
 commissioned MORI to comisiynwyd MORI gennym
 conduct an attitude survey. i gynnal arolwg barn. Bydd
 Many of the staff will tell you llawer o'r staff yn dweud nad
 that you did not need MORI oedd angen i MORI ddweud
 to tell you what the attitude beth oedd barn y staff, ond
 of the staff was, but we yr oeddem am gau pen y
 wanted to draw a line in the mwdwl. Yr oeddem am
 sand. We wanted to find out ganfod beth oedd sefyllfa'r
 where we were with the staff staff fel y gallwn ddechrau

so that we could begin to mesur unrhyw welliant yn eu
measure the morale hysbryd. Gobeithiwn y
improvement. We hope that byddwn yn gweld y gwelliant
we will see that hwnnw.
improvement.

That is the summary. We Dyna'r sefyllfa yn fras. Ni
could not afford to give staff allwn fforddio rhoi codiad
a pay rise for those two cyflog i'r staff yn ystod y
years, and understandably ddwy flynedd hynny, ac wrth
there was huge resentment. reswm, yr oeddent yn
The final point that I make is teimlo'n chwithig iawn. Y
that we then offered a pay pwynt olaf imi ei wneud yw
rise for the current year and inni gynnig, yn sgîl hynny
there was a long and difficult godiad cyflog ar gyfer y
negotiation about that pay flwyddyn gyfredol a chafwyd
rise. At the same time we cyd-drafodaethau hir a dyrys
were trying to backtrack, in am y codiad cyflog hwnnw.
a sense, on the withdrawal of Ar yr un pryd, yr oeddem yn
the workload agreement by ceisio newid ein safiad, ar un
trying to bring in contractual olwg, o safbwynt dileu'r
arrangements that both sides cytundeb baich gwaith drwy
felt were reasonable. As with geisio cyflwyno trefniadau
all such things, what I might cytundebol a oedd yn
feel to be reasonable, may rhesymol i'r naill ochr a'r

not be what the other side llall. Fel y mae'n digwydd feels is reasonable. It has mewn materion o'r fath, ni been a protracted fydd yr hyn sydd yn negotiation. The positive rhesymol yn fy nhyb i yn outcome is that we now have rhesymol o bosibl i'r ochr a settlement. Staff, in their arall. Bu'n broses gyd-drafod pay packets this month, will hirwyntog iawn. Y peth da receive their back pay to 1 yw ein bod bellach wedi dod i August of a 4 per cent pay gytundeb. Bydd y staff, yn eu increase. We are very cyflog y mis hwn, yn cael confident that the codiad cyflog o 4 y cant, wedi contractual negotiations that ei ôl-dalu i 1 Awst. Yr ydym form part of that deal will be yn ffyddiog iawn y bydd y concluded successfully. I cyd-drafodaethau cytundebol would stress that we on the sydd yn rhan o'r fargen management side totally honno yn dod i ben yn understand the frustration llwyddiannus. Hoffwn that the staff have felt. bwysleisio ein bod ninnau, y rheolwyr, yn llwyr ddeall pam bod y staff wedi teimlo'r fath rwystredigaeth.

[70] Alison Halford: This is [70] Alison Halford: Hwn my last question, which you fydd fy nghwestiwn olaf, yr

have probably almost ydych wedi ei ateb bron fwy
 answered. The Public na thebyg. Yr oedd y
 Accounts Committee was Pwyllgor Cyfrifon
 very critical of the way Cyril Cyhoeddus yn feirniadol
 Lewis and Coopers & iawn o'r modd y cafodd Cyril
 Lybrand were taken on Lewis a Coopers & Lybrand
 board. This, presumably, was eu penodi. Cafodd hyn ei
 done without going out to wneud, debygaf, heb ei
 tender. Is that to do with the gynnig ar dendr. A yw hyn
 fact that you were yn gysylltiedig â'r ffaith eich
 haemorrhaging and just had bod yn colli arian ac yn syml
 to get the first person bod yn rhaid ichi gael y
 available? What are your person cyntaf a oedd ar gael?
 comments on the engagement Beth yw'ch sylwadau ynglyn
 of Mr Lewis and Coopers & â chyflogi Mr Lewis a
 Lybrand, please? Coopers & Lybrand, os
 gwelwch yn dda?

Mr Mason: I am cautious Mr Mason: Pwyllaf rhag
 about commenting on actions cynnig sylwadau ar yr hyn a
 that were taken by a wnaeth corff llywodraethol
 governing body at a time ar adeg pan nad oeddwn yno.
 when I was not there. I would Hoffwn nodi—
 just make—

[71] Alison Halford: **Has the procedure changed?** [71] Alison Halford: **A yw'r weithdrefn wedi newid?**

**[71] Alison Halford: A yw'r
weithdrefn wedi newid?**

Mr Mason: Yes. I just make the point, though, that the governing body was in a position where they were, in a day-to-day sense, managing the college. It did not have a principal. It could not happen in terms of our procedure now, there would have to be a tendering process.

Mr Mason: Ydyw. Hoffwn nodi, fodd bynnag, bod y corff llywodraethol mewn sefyllfa pan mai hwy i bob golwg a oedd yn rheoli'r coleg o ddydd i ddydd. Nid oedd ganddo brifathro. Ni oedd ganddo brifathro. Ni allai ddigwydd yn awr oherwydd y weithdrefn sydd gennym, byddai'n rhaid cynnal proses dendro.

Mr Mason: Ydyw. Hoffwn nodi, fodd bynnag, bod y corff llywodraethol mewn sefyllfa pan mai hwy i bob golwg a oedd yn rheoli'r coleg o ddydd i ddydd. Nid oedd ganddo brifathro. Ni allai ddigwydd yn awr oherwydd y weithdrefn sydd gennym, byddai'n rhaid cynnal proses dendro.

[72] Alison Halford: I think that that is probably the point. Thank you very much indeed.

[72] Alison Halford: Credaf mai dyna'r pwynt, yn fwy na thebyg. Diolch yn fawr iawn ichi.

[72] Alison Halford: **Credaf
mai dyna'r pwynt, yn fwy na
thebyg. Diolch yn fawr iawn
ichi.**

[73] Janet Davies: Thank you, [73] Janet Davies: Diolch yn

[73] Janet Davies: Diolch yn

Alison. Peter has some fawr, Alison. Hoffai Peter questions on procurement. ofyn ychydig o gwestiynau ar gaffael.

[74] Peter Black: Just a very [72] Peter Black: Dim ond quick question on cwestiwn byr iawn ar gaffael, procurement, because we are gan ein bod yn brin o amser. short of time. This Mae'r Pwyllgor hwn wedi ei Committee has been very siomi'n fawr gyda'r cynnydd disappointed by the slow araf a wneir gan y sector progress the sector as a cyfan ar wella'r broses o whole has made in improving gaffael nwyddau a procurements of goods and gwasanaethau, a sicrhau services, and driving out arbedion effeithlonrwydd. A efficiency savings. Can you allwch ddweud wrthym pa tell us what steps your college gamau y mae eich coleg wedi has taken to improve its eu cymryd i wella ei procurement procedures? weithdrefnau caffael.

Mr Mason: In a sense, one of Mr Mason: Ar un olwg, un o'r the things that we identified pethau a nodwyd gennym yn very quickly during that fuan iawn yn ystod cyfnod yr crisis period was that the six argyfwng oedd bod y chwe

campuses had been allowed champws wedi cael pob
to do their own thing. rhyddid i wneud fel y
Campuses were buying mynnont. Yr oedd y
personal computers and all campysau yn prynu
sorts of things without any cyfrifiaduron personol a
central control. The first phob math o bethau heb
thing we did—this was about unrhyw reolaeth ganolog. Y
18 months ago—was to peth cyntaf inni ei wneud—
appoint a purchasing officer digwyddodd hyn tua 18 mis
to try to co-ordinate the yn ôl—oedd penodi swyddog
central purchasing policy. prynu i geisio cydlynu'r
We very quickly recognised polisi prynu canolog.
that this was not a qualified Cydnabuom yn gyflym iawn
procurement post, it was an mai swydd weinyddol ydoedd
administrative post. So we yn hytrach na swydd gaffael
strengthened that, and in lle yr oedd angen
April of this year we cymwysterau proffesiynol.
appointed a procurement Felly fe'i hatgyfnerthwyd
manager. In passing, I note gennym, ac ym mis Ebrill
that Philip Holmes, our eleni, penodwyd rheolwr
procurement manager, has caffael. Gyda llaw, nodaf fod
been invited to be a member Philip Holmes, sef ein
of the review group set up by rheolwr caffael, wedi ei
Edwina Hart to look at wahodd i fod yn aelod o'r
procurement across Wales. grŵp arolygu a sefydlwyd

That is a measure of his background and experience. gan Edwina Hart i ystyried pwnc caffael ar draws Cymru. Mae hynny'n arwydd o'i gefndir a'i brofiad.

Here are just a few figures; Nodaf ychydig ffigurau; yn y in the last 12 months that we 12 mis diwethaf pan rydym have been centrally wedi bod yn prynu a chaffael purchasing and procuring in yn ganolog yn y coleg yn the college, rather than hytrach na chaniatáu i'r letting the campuses buy on campysau brynu ar eu pen eu their own, we have saved hunain, yr ydym wedi arbed £100,000 on information £100,000 ar dechnoleg technology. Our capital gwybodaeth. £1 miliwn oedd investment in IT this year ein buddsoddiad cyfalaf was £1 million, and we have mewn TG eleni ac yr ydym saved £100,000, about 10 per wedi arbed £100,000, sef tua cent. Another way of looking 10 y cant. Ffordd arall o at it is that students have had edrych arno, yw bod y 200 extra PCs as a result of myfyrwyr wedi cael 200 o us buying centrally, rather gyfrifiaduron personol than letting campuses buy ychwanegol oherwydd ein from local suppliers. We bod wedi prynu'n ganolog,

have saved about 20 per cent yn hytrach na chaniatáu i'r
 on our photocopying costs. campysau brynu oddi wrth
 We purchase our energy gyflenwyr lleol. Yr ydym
 through the Gwent wedi arbed 20 y cant ar ein
 consortium, and we have costau llungopïo. Yr ydym yn
 probably saved about 10 per prynu ein hynni drwy
 cent. I could go on, but I gonsortiw Gwent, ac yr
 realise that time is short. The ydym fwy na thebyg wedi
 other point is that central arbed tua 10 y cant. Gallwn
 procurement has been set a fynd ymlaen, ond
 target in next year's budget sylweddolaf fod amser yn
 of saving £125,000. You brin. Y pwynt arall i'w nodi
 might say that that seems to yw ein bod wedi pennu
 be a drop since we have targed yng nghyllideb y
 saved about £250,000 this flwyddyn nesaf i'r adran
 year, but I think that you will gaffael ganolog arbed
 understand that when you £125,000. Efallai yr
 first hit things you tend to get ymddengys ichi bod hynny'n
 large savings and then it llai na'r disgwyl am ein bod
 tends to tail off a bit. I would wedi arbed tua £250,000
 argue that we are probably eleni, ond credaf y byddwch
 ahead of other colleges in the yn deall bod tuedd ichi
 sector in terms of procuring wneud arbedion mawr ar y
 centrally. cychwyn cyntaf ond yna
 maent yn tueddu i leihau ar

ôl cyfnod. Byddwn yn dadlau ein bod yn achub y blaen o'n cymharu â'r colegau eraill yn y sector o ran caffael yn ganolog.

[75] Janet Davies: Alun, do you want to ask some questions about changes to improve the financial position? [75] Janet Davies: Alun, a ydych am holi ynglyn â'r newidiadau i wella'r sefyllfa ariannol?

[76] Alun Cairns: Mr Mason, you have made changes to the college's senior management structure. Can you tell us a little more about that? How were they managed? What were the net costs or savings as a result? [76] Alun Cairns: Mr Mason, yr ydych wedi gwneud newidiadau yn strwythur uwch reoli'r coleg? A allwch ddweud ychydig rhagor am hynny wrthym? Sut y cawsant eu rheoli? Beth oedd y costau neu'r arbedion net o ganlyniad?

Mr Mason: I will answer briefly, because I am am fy mod yn ymwybodol Mr Mason: Atebaf yn gryno,

conscious that the Chair is bod y Cadeirydd yn edrych
looking at the clock. When I ar yr amser. Pan
arrived, the senior gyrhaeddais, strwythur uwch
management structure of the reoli'r coleg oedd bod gan
college was that there was a bob campws gyfarwyddwr
campus director for each campws. Y chwe pherson
campus. Those six people, hyn, ynghyd â'r
together with the corporate cyfarwyddwyr corfforaethol,
directors, formed the senior a oedd yn ffurfio'r uwch dîm
management team. It was rheoli. Yr oedd yn eithaf
fairly clear to me when I amlwg imi pan gyrhaeddais
arrived that we had a bod gennym dîm
corporate team that was corfforaethol a oedd i fod i
supposed to be taking a lunio'r farn gorfforaethol,
corporate view, but that six ond bod gan chwech o'r bobl
of the people on the ar y tîm corfforaethol eu
corporate team had patches tiriogaethau bach eu hunain
to manage and therefore i'w rheoli ac felly wrth
there was an inevitable reswm cafwyd gwrthdaro
conflict of interests. You buddiannau. Efallai y
might be taking a strategic byddwn yn gwneud
decision for the benefit of the penderfyniad strategol er lles
college, but if that affected y coleg, ond os oedd hynny'n
campus x, campus director x effeithio ar gampws x, ni
would not be very persuaded fyddai cyfarwyddwr campws

by the corporate view. So we have separated the strategic role from the operational role. We now have a general manager on each campus, in the normal sense of a general manager. That person is responsible for the day-to-day operation at each campus. The general managers report to executive directors on the corporate management team, who are responsible for the corporate strategy. So the senior management team now consists of the two executive directors who look after the campuses and to whom the general managers report; then we have the finance director, the estates director, the human resources director and the marketing and corporate planning director.

x yn cael ei argyhoeddi gan y farn gorfforaethol. Felly yrdym wedi rhannu'r rôl strategol oddi ar y rôl weithredol. Bellach mae gennym reolwr cyffredinol ar bob campws, sef rheolwr cyffredinol yn yr ystyr arferol. Mae'r unigolyn hwnnw yn gyfrifol am weithrediadau'r campws o ddydd i ddydd. Mae'r rheolwyr cyffredinol yn atebol i'r cyfarwyddwyr gweithredol ar y tîm rheoli corfforaethol, sydd yn gyfrifol am y strategaeth gorfforaethol. Felly mae'r uwch dîm rheoli bellach yn cynnwys dau gyfarwyddwr gweithredol sydd yn gofalu am y campysau ac y rheolwyr cyffredinol yn cyflwyno eu hadroddiadau iddynt; yna ceir y

That is now the current cyfarwyddwr cyllid, y team. Therefore the senior cyfarwyddwr ystadau, y management team—we call it cyfarwyddwr adnoddau the corporate management dynol a'r cyfarwyddwr team—are now corporate marchnata a chynllunio people, if I can use that term. corfforaethol. Hwn yw'r tîm cyfredol yn awr. Felly pobl gorfforaethol, os caf ddefnyddio'r ymadrodd hwnnw yw'r uwch dîm reoli bellach—fe'i gelwir yn dîm rheoli corfforaethol gennym.

[77] Alun Cairns: How do the costs of the new structure compare to those of the former structure of campus directors? [77] Alun Cairns: Sut y mae costau'r strwythur newydd yn cymharu â chostau'r hen strwythur, sef y cyfarwyddwyr campws?

Mr Mason: It is marginally cheaper, but it was not a restructuring to save money, it was a restructuring to ailstwythuro, Mr Mason: Mae ychydig yn rhatach, ond nid er mwyn arbed arian y cafodd ei fe'i

make the senior management of the college more effective. aistrwythurwyd i sicrhau bod uwch reolwyr y coleg yn fwy effeithiol.

[78] Alun Cairns: **Thank you.** [78] Alun Cairns: **Diolch yn**
Extending further in terms of fawr. **Gan ymhelaethu ar**
management, you mentioned fater y rheolwyr,
earlier the introduction of a crybwyllasoch yn gynharach
level below the faculty bod rheolwyr o dan lefel
managers. Fifty in all, if my rheolwyr yr adrannau wedi
memory serves me rightly— cael eu cyflwyno. Cyfanswm
o 50, os cofiaf yn iawn—

Mr Mason: **Sorry, did you say** Mr Mason: **Mae'n ddrwg**
50? gennyf, ai 50 a ddywedasoch?

[79] Alun Cairns: **Fifty, yes.** [79] Alun Cairns: **Ie, 50.**

Mr Mason: **That is right.** Mr Mason: **Mae hynny'n**
gywir.

[80] Alun Cairns: **Could you** [80] Alun Cairns: **A allech**

tell us more about why you introduced the changes, and what budget was set? I noted that the second management reorganisation reduced the management from 118 to 35; by adding these 50 managers on, are we going back up to 85?

ddweud rhagor wrthym ynghylch pam y cyflwynwyd y newidiadau hyn gennych, a faint oedd y gyllideb a bennwyd? Nodais fod nifer y rheolwyr wedi gostwng o 118 i 35 yn sgîl ailstrwythuro'r haen reoli yr ail dro; drwy ychwanegu'r 50 rheolwr hyn, a ydym yn cyrraedd 85 eto?

Mr Mason: You can imagine the sensitivities when we were going into this. First, I would stress that this was not a restructuring, in that sense. When I arrived we had faculty managers and, to give a simple example, a typical faculty manager would have upwards of 60 lecturers to manage. One of the few things that we and NATFHE agreed on in the early days

Mr Mason: Gallwch ddychmygu pa mor sensitif oedd y sefyllfa hon ar y cychwyn cyntaf. Yn gyntaf, hoffwn bwysleisio nad proses ailstrwythuro ydoedd, yn yr ystyr hwnnw. Pan gyrhaeddais, yr oedd gennym reolwyr adrannau ac, i roi enghraifft syml, byddai gan reolwr adran cyffredin hyd at uchafswm o 60 o ddarlithwyr i'w rheoli. Un

was that you cannot have a situation where someone is trying to manage 60 lecturers. So we realised that we needed some intermediate layer.

o'r ychydig bethau lle yr oedd Cymdeithas Genedlaethol yr Athrawon mewn Addysg Bellach ac Uwch a ninnau yn gytûn yn gynnar iawn oedd na ellir disgwyl i unrhyw un reoli 60 o ddarlithwyr. Felly sylweddolasom ein bod angen rhyw fath o haen ganol.

The second point is that the section heads are not managers in the way that the NAO report talks about managers, that is, people who just manage. Section heads spend around two-thirds of their time teaching and a third supervising a small team of lecturers. It is important to note that when you create positions for these

Yr ail bwynt yw nad rheolwyr yw penaethiaid yr adrannau yn yr ystyr a geir yn adroddiad y Swyddfa Archwilio Genedlaethol, sef pobl sydd ond yn rheoli. Mae penaeithiaid yr adrannau'n treulio tua dwy ran o dair o'u hamser yn addysgu a'r rhan yn goruchwylio tîm bychan o ddarlithwyr. Mae'n bwysig

people, the only cost that you incur is that of the teaching time that they lose. That is an example of the new way in which the corporation does business. We identified the need for section heads and we put together a business plan, which went through the finance and the human resources committees. We agreed a budget of £256,000 with the corporation, which was added to the pay bill. It was a revenue cost; there were no redundancy costs because they were internal people. Essentially, the cost was that of the extra staff needed to take over the hours that those people previously taught.

nodi mai'r unig gost sydd gennych pan fyddwch yn creu swyddi i'r bobl hyn yw cost yr amser addysgu a gollwyd ganddynt. Dyna enghraifft o'r ffordd newydd y mae'r gorfforaeth yn gweithredu. Nodwyd gennym yr angen am benaethiaid adrannau a lluniwyd cynllun busnes gennym, a gafodd ei basio gan y pwyllgor cyllid a'r pwyllgor adnoddau dynol. Cytunasom ar gyllideb o £256,000 â'r gorfforaeth, ac fe'i hychwanegwyd at y bil cyflogau. Cost refeniw ydoedd; nid oedd unrhyw gostau diswyddo am mai pobl fewnol oeddent. Y gost yn y bôn oedd y staff ychwanegol yr oedd eu hangen i ymgymryd â'r gwaith addysgu yr oedd y bobl hynny wedi ei wneud

cyn hynny.

The finance committee Monitrwyd y penodiadau
monitored those hynny gan y pwyllgor cyllid
appointments and I was ac yr oedd yn ofynnol imi
required to report to the gyflwyno adroddiad i'r
finance and human resources pwyllgor cyllid a'r pwyllgor
committees the exact details adnoddau dynol ar y
of the total cost backed up by manylion llawn o gyfanswm
a list of exactly who was y gost wedi eu hategu gan
appointed, their salaries and restr o'r bobl a gafodd eu
so on. We were able to give penodi, eu cyflogau ac ati. Yr
them chapter and verse. We oeddem yn gallu rhoi hyn oll
came in under budget and it iddynt. Ni ddefnyddiwyd y
is true to say that, across the gyllideb gyfan gennym ac
college, the use of section mae'n wir dweud bod y
heads has been a pretty defnydd o benaethiaid
successful way forward. In adrannau, ar draws y coleg,
terms of the gist of your wedi bod yn eithaf
question, it was an example llwyddiannus fel ffordd
of not doing it the way that it ymlaen. O ran hanfod eich
was done before, but doing it cwestiwn, yr oedd yn
properly and effectively. I enghraifft o'i wneud mewn
think that the corporation modd cywir ac effeithiol yn

holds it up as an example of a well-managed project that it monitored.

hytrach na'i wneud fel yr oedd yn cael ei wneud yn y gorffennol. Credaf fod y gorfforaeth yn ei rhoi fel enghraifft o brosiect wedi ei reoli'n dda a gaiff ei fonitro.

[81] Alun Cairns: What other steps have you taken to improve the college's financial position? Will you highlight how you are quantifying any savings that you have made?

[81] Alun Cairns: Pa gamau eraill a gymerwyd gennych i wella sefyllfa ariannol y coleg? A wnewch nodi sut yr ydych yn meintoli unrhyw arbedion a wnaethpwyd?

Mr Mason: The answer to that tends to sound a bit trite in the sense that it is actually just about good housekeeping. I inherited an organisation and I will give you a figure just to help to put this into context. At the end of July 1995, Gwent

Mr Mason: Mae'r ateb i hynny yn aml i'w glywed braidd yn ystrydebol yn yr ystyr mai'r unig ateb mewn gwirionedd yw cadw ty yn dda. Etifeddais sefydliad a rhoddaf ffigur ichi i gynorthwyo i roi hyn yn ei gyd-destun. Ar ddiwedd

Tertiary College, as it was Gorffennaf 1995, yr oedd gan then, had around £7 million Goleg Trydyddol Gwent, fel in the bank. At the end of y'i gelwid bryd hynny, tua £7 July 1998, just after I had miliwn yn y banc. Ar arrived, we were broke and ddiwedd Gorffennaf 1998, we had spent £3 million of ychydig ar ôl imi gyrraedd, European social fund money. yr oeddem wedi mynd i'r wal Therefore, we had got ac yr oeddem wedi gwario £3 through around £10 million. miliwn o arian y gronfa When we considered the gymdeithasol Ewropeaidd. situation and particularly Felly gwariwyd tua £10 when Andrew, my finance miliwn. Wrth inni ystyried y director, arrived, we could sefyllfa ac yn enwedig pan see clearly that it was about gyrhaeddodd Andrew, fy good housekeeping and nghyfarwyddwr cyllid, getting tight controls on gallem weld yn eglur mai expenditure and trying to cadw ty yn dda a rheoli'r make people aware of the gwariant yn dynn a cheisio fact that sometimes the sicrhau bod pobl yn organisation could not afford ymwybodol o'r ffaith na the things that they wanted. I allai'r sefydliad bob amser could give you hundreds of fforddio'r hyn yr oeddent eu examples. heisiau oedd wrth wraidd y mater. Gallwn roi cannoedd o enghreifftiau ichi.

We took £2 million out of the Cymerasom £2 miliwn o'r
 non-pay costs, in a budget of costau nad oeddent yn
 around £12 million. That is a ymwneud â thâl, mewn
 huge proportion of that cyllideb o tua £12 miliwn.
 budget. Although there was a Mae hynny'n gyfran enfawr
 little squealing, there was not o'r gyllideb honno. Er bod
 a lot of reaction to it. The peth achwyn, ni chafwyd
 organisation seemed to be llawer o ymateb i hynny.
 able to stand that and it Ymddangosai fel petai'r
 reflected the fact that we sefydliad yn gallu ymdopi â
 were taking out fat rather hynny ac yr oedd yn
 than inflicting pain on the adlewyrchu'r ffaith ein bod
 organisation. So, I do not yn cael gwared ar ychydig o
 want to sound trite about it, floneg o'r sefydliad yn
 but the management of the hytrach na pheri loes iddo.
 college has been placed on a Felly, nid wyf am siarad
 firm and businesslike basis. mewn ystrydebau am hynny,
 We are not a business in that ond rhoddwyd rheolaeth y
 sense, but we are coleg ar sail gadarn megis
 businesslike. We have it busnes. Nid busnes ydym yn
 under control. It is not rocket yr ystyr hwnnw, ond mae
 science, if you know what I gennym ymagwedd fusnes.
 mean. Yr ydym yn ei reoli. Mae'n

beth eithaf syml yn y bôn.

[82] Alun Cairns: I [83] Alun Cairns: Yr wyf yn congratulate you on your eich llongyfarch ar gadw ty effective housekeeping, which yn effeithiol, a fyddai wedi ei I assume would have been gyflwyno, fe dybiaf, drwy introduced by monitoring weithdrefnau monitro a and accounting procedures to chyfrifo i gadw llygad barcud keep a close eye on such ar faterion o'r fath. Deallaf issues. I understand that the fod y coleg yn cael college continues to have anawsterau o hyd wrth difficulties with producing gynhyrchu gwybodaeth reoli credible management y gellir ymddiried ynddi information on the number ynglyn â nifer y myfyrwyr of students that are enrolled. sydd wedi cofrestru. That seems to be a basic Ymddengys bod honno'n principle that needs to be egwyddor sylfaenol y mae addressed. On the back of angen mynd i'r afael â hi. Ar what you have already said sail yr hyn yr ydych wedi ei about good management ddweud eisoes ynglyn â structure, what correlation strwythur rheoli da, pa can be made between the two gymhariaeth y gellir ei and why has the student wneud rhwng y ddau a pham enrolment monitoring not nad yw'r gwaith o fonitro

been co-ordinated nifer y myfyrwyr sydd yn
effectively? cofrestru wedi cael ei
gydlynu'n effeithiol?

Mr Mason: You said that we were unable to produce 'credible management information'. I take issue with the word 'credible'. History is important to inform the debate. As Steve Martin mentioned earlier, one of the things that we had in common with most colleges in this sector is that we did not pay much attention to our numbers of students in terms of finances, because finances were not directly related to student activity. The funding model now used by the funding council relates money directly to people, therefore

Mr Mason: Dywedasoch nad oeddem yn gallu cynhyrchu 'gwybodaeth reoli y gellir ymddiried ynddi'. Ni chytunaf ar y disgrifiad 'y gellir ymddiried ynddi'. Mae'n bwysig ystyried yr hanes. Fel y soniodd Steve Martin yn gynharach, un o'r pethau a oedd gennym yn gyffredin â'r mwyafrif o golegau yn y sector hwn oedd nad oeddem yn rhoi llawer o sylw i nifer y myfyrwyr o ran cyllid, am nad oedd y cyllid yn ymwneud yn uniongyrchol â gweithgaredd myfyrwyr. Mae'r model cyllido a ddefnyddir gan y cyngor cyllido bellach yn

very accurate data about cyfateb arian yn
student enrolments is needed. uniongyrchol â phobl, felly
mae angen data cwbl gywir
am nifer y myfyrwyr sydd yn
cofrestru.

We have been struggling, Yr ydym wedi cael
because we now have a anawsterau, gan fod gennym
computer system called bellach system gyfrifiadurol
FEMIS, which is used by o'r enw FEMIS, a
only two colleges in Wales. ddefnyddir gan ddau goleg
Although I do not want to yng Nghymru yn unig. Er
criticise FEMIS, you will nad wyf am feirniadu
understand that an FEMIS, deallwch nad yw
organisation with only two sefydliad a chanddo ddau
installations in Wales is not gwsmer yng Nghymru yn
going to provide the sort of mynd i ddarparu'r math o
software development that is ddatblygu meddalwedd sydd
needed. Steve mentioned that ei angen. Soniodd Steve ein
we are going to invest bod yn bwriadu buddsoddi
£250,000 in a new computer £250,000 mewn system
system to try to improve our gyfrifiadurol newydd i geisio
record keeping. When you gwella ein cofnodion. Pan
mentioned a lack of credible gyfeiriasoch at ddiffyg data y

data, the funding council gellir ymddiried ynddo, would support me in stating byddai'r cyngor cyllido yn that our end of year student cyd-fynd pan ddywedaf fod enrolment data for last year Price Waterhouse Coopers were audited thoroughly by wedi archwilio ein data Price Waterhouse Coopers. diwedd y flwyddyn am nifer We were 8 per cent ahead of y myfyrwyr yn cofrestru ar target. Unfortunately, they gyfer y llynedd yn drwyadl. do not pay us any money for Yr oeddem 8 y cant yn uwch that but it was a very na'r targed. Yn anffodus, nid extensive audit. The evidence ydynt yn talu unrhyw arian shows that we are actually inni am hynny ond yr oedd under-recording slightly yn archwiliad trylwyr iawn. rather than over-recording. Yn ôl y dystiolaeth, yr ydym So, there is no suggestion yn tangofnodi o ychydig yn that we are claiming money hytrach na gorgofnodi. Felly, that we should not be nid oes unrhyw awgrym ein claiming. By using the new bod yn gwneud cais am arian system and reviewing our na ddylem wneud cais processes that lead into that amdano. Drwy ddefnyddio'r system, we are fairly system newydd ac arolygu confident that things will also ein prosesau sydd yn cysylltu tighten up in that area. â'r system honno, yr ydym yn eithaf ffyddiog y bydd pethau'n gwella yn y maes

hwn.

[83] Alun Cairns: **There is also concern about claiming all the money to which you are entitled.** [83] Alun Cairns: **Mae pryder hefyd eich bod yn gwneud cais am yr holl arian y mae gennych hawl i wneud cais amdano.**

Mr Mason: Yes.

Mr Mason: Oes.

[84] Alun Cairns: **Mr Martin, will you extend on that?** [84] Alun Cairns: **Mr Martin, a wnewch ymhelaethu ar hynny?**

Mr Martin: Yes, clearly so much of the funding is driven by that data. We allocate funds on that basis, so it is crucial that it is right. Improvements are needed across the sector—some places do it well, some not so **Mr Martin: Gwnaf, ar y data hwnnw y seilir cymaint o'r cyllid wrth reswm. Yr ydym yn dyrannu'r arian ar y sail honno, felly mae'n holl bwysig ei fod yn gywir. Mae angen gwelliannau ar draws y sector—mae rhai**

well. It is an area that needs constant vigilance. We have a programme of work to ensure that that is part of the general improvements that we are trying to secure across the sector. I am happy with the action described by David Mason. That is exactly what is needed, although I repeat my earlier point that new systems in themselves are not the answer. They are the beginning of an answer. Operating them successfully and ensuring that they are kept up to speed will be a constant challenge. For anyone who knows this business well, counting people accurately is not straightforward. It sounds simple, but anyone who has been to a part-time class at a further education college will

sefydliadau yn ei baratoi'n dda, nid yw eraill crystal. Mae'n faes lle mae angen gwyliadwraeth barhaus. Mae gennym raglen waith i sicrhau bod hyn yn rhan o'r gwelliannau cyffredinol yr ydym yn ceisio eu sicrhau ar draws y sector. Yr wyf yn fodlon ar y camau a ddisgrifiwyd gan David Mason. Dyna'r union beth sydd ei angen, er yr hoffwn ailadrodd y pwynt a wneuthum yn gynharach, nid y systemau newydd ynddynt eu hunain sydd yn datrys y broblem. Dechrau datrys y broblem y maent. Bydd yn hysbysu o hyd i'w gweithredu yn llwyddiannus a sicrhau eu bod yn gyfredol. Gwyr pawb sydd yn ymwneud â'r busnes hwn nad tasg syml yw cyfrif pobl yn gywir. Mae'n

know that these issues are swnio'n syml, ond gwyr not easy and that good unrhyw un sydd yn mynychu procedures are required. I dosbarth rhan amser mewn have seen, at first hand, that coleg addysg bellach nad convincing front-line staff yw'r materion hyn yn rhai that their roles in this process hawdd a bod angen are important is not always gweithdrefnau da. Yr wyf straightforward.

wedi gweld, o brofiad, nad peth hawdd yw argyhoeddi staff y rheng flaen bod eu rôl yn y broses hon yn un bwysig.

I will reinforce this final Ategaf y pwynt olaf hwn. Yr point. We are content, on the ydym yn fodlon, ar sail basis of the external gwaith yr archwilwyr allanol, auditors' work, that almost nad oedd braidd dim certainly there has not been posibilrwydd ein bod wedi an overclaim. We have not gorhawlio. Nid ydym wedi been in the business, any arfer â thalu pobl am wneud more than the European pethau nad ydynt yn gallu social fund has, of paying profi eu bod wedi eu gwneud, people for having done things yn yr un modd ag nad yw y that they cannot prove they gronfa gymdeithasol

did. Hopefully this situation will not recur in the future.

Ewropeaidd wedi arfer gwneud hynny. Gobeithio na welir y sefyllfa hon yn codi eto yn y dyfodol.

[85] Janet Davies: We will look very briefly at any wider implications for the sector in Wales. I address my questions to Mr Martin.

[85] Janet Davies: Edrychwn yn fras iawn ar unrhyw oblygiadau ehangach ar gyfer y sector yng Nghymru. Gofynnaf fy nghwestiynau i Mr Martin.

What guidance has the funding council produced to ensure that colleges have sufficient control and oversight over units with an entrepreneurial remit such as the training shop, and what monitoring of such units does the funding council now undertake?

Pa arweiniad y mae'r cyngor cyllido wedi ei gynhyrchu i sicrhau bod y colegau yn rheoli a gorchwyllo unedau a chanddynt gylch gorchwyl entrepreneuriaidd megis y siop hyfforddi a hynny'n ddigonol, a pha waith ddigonol o unedau o'r fath a wneir yn awr gan y cyngor cyllido?

Mr Martin: We undertake Mr Martin: Yr ydym yn
that as part of our general ymgymryd â hynny fel rhan
monitoring of control o'n gwaith monitro
systems. Our guidance in the cyffredinol ym maes
audit code of practice and in systemau rheoli. Byddai ein
our financial memorandum harweiniad yn y cod ymarfer
and so on would apply just as archwilio ac yn ein
much to these areas. It is memorandwm ariannol ac ati
interesting, if you go back to yr un mor berthnasol i'r
what happened in this case, meysydd hyn. Mae'n
that the audit carried out by ddiddorol, os ystyriwch yr
the funding council at the hyn a ddigwyddodd yn yr
end of 1995—before these achos hwn, bod yr archwiliad
restructuring issues arose a gynhaliwyd gan y cyngor
and the financial crisis cyllido ar ddiwedd 1995—
occurred in the college—cyn i'r materion
picked up on many control ailstrwythuro godi a chyn i'r
system problems, including coleg gael argyfwng
those of the training shop. ariannol—wedi nodi nifer o
Therefore it is built into the broblemau parthed y
audit programme. It is not a systemau rheoli, gan
bolt-on and our advice is gynnwys rhai'r siop
quite clear: that these hyfforddi. Felly mae'n rhan

matters should be part and o'r rhaglen archwilio. Nid
 parcel of the college's rhan atodol mohoni ac mae
 systems. As the PAC said in ein cyngor yn gwbl eglur:
 its report, or the NAO—I dylai'r materion hyn fod yn
 cannot remember which—it rhan naturiol o systemau'r
 had become semi-detached. coleg. Fel y nododd y
 That is clearly unacceptable Pwyllgor Cyfrifon
 and it was something that we Cyhoeddus yn ei adroddiad,
 identified. It has now been neu'r Swyddfa Archwilio
 put right in spades by David Genedlaethol—ni chofiaf pa
 Mason and his team. I un—yr oedd wedi dod yn
 repeat—and I am sorry if I rhannol ddatgysylltiedig.
 sound like Johnny one- Mae hynny'n gwbl
 note—that I do not think annerbyniol wrth gwrs ac yr
 that these one-off events and oedd yn fater a nodwyd
 one-off responses take you gennym. Bellach mae David
 very far. It is about Mason a'i dîm wedi cyflawni
 embedding systems. I refer gwaith mawr i unioni'r
 back to the way in which we sefyllfa. Ailadroddaf—ac
 work with governing bodies ymddiheuraf os mai'r un
 to ensure that they secure the diwn a glywch gennyf o
 information that they need to hyd—na chredaf fod y
 monitor and control. digwyddiadau a'r ymatebion
 Through our own audit and untro hyn o lawer o fudd.
 other processes, and through Sicrhau bod systemau yn

the governance and ymsefydlu sydd wrth wraidd
management development y mater hwn. Cyfeiriaf yn ôl
programme, we seek to at y ffordd yr ydym yn
ensure that everybody gweithio gyda'r cyrff
concerned knows their duties llywodraethol i sicrhau eu
and fulfils them. We will bod yn cael y wybodaeth y
issue a governors' guide this mae ei hangen arnynt i
summer, which will reinforce fonitro a rheoli. Drwy ein
some of these messages. harchwiliad ein hunain a'r
However, even that is only an prosesau eraill, a thrwy'r
event and it needs to be rhaglen datblygu
followed through in the ways llywodraethu a rheoli,
that I have described. ceisiwn sicrhau bod pawb

sydd yn gysylltiedig yn
gwybod beth yw eu
dyletswyddau ac yn eu
cyflawni. Byddwn yn
cyhoeddi arweiniad i'r
llywodraethwyr yn ystod yr
haf eleni, a fydd yn
atgyfnerthu rhai o'r
negeseuon hyn. Fodd
bynnag, er mai un
digwyddiad ydoedd, mae
angen gweithredu arno yn y

ffyrdd a ddisgrifiwyd gennyf.

[86] Janet Davies: There is a need to be aware of how many colleges are getting European funding and have established these separate units, and whether they have separate trading companies, but I will not pursue that issue now, for reasons of time rather than any other. I think that Lorraine Barrett wants to raise a few more issues.

[86] Janet Davies: Mae angen gwybod faint o'r colegau sydd yn cael arian gan Ewrop a faint ohonynt sydd wedi sefydlu'r unedau ar wahân hyn, ac a oes ganddynt gwmnïau masnachu ar wahân, ond ni fyddaf yn dilyn y mater hwnnw yn awr, oherwydd prinder amser yn fwy na dim. Credaf fod Lorraine Barrett am godi ychydig rhagor o faterion.

[87] Lorraine Barrett: I have a short question for Mr Martin. Do all the institutions in this sector now have a formal whistleblowing policy in place?

[87] Lorraine Barrett: Cwestiwn byr sydd gennyf i Mr Martin. A oes gan bob un o'r sefydliadau yn y sector hwn bolisi datgelu cyfrinachau ffurfiol yn ei le bellach?

Mr Martin: They all have a system in place. In a number of cases it is awaiting final approval by the governing body. I understand that they all conform to best practice under Nolan and so on. So the answer is 'yes'.

Mr Martin: Mae pob un ohonynt wedi sefydlu system. Mewn nifer o achosion, mae heb ei chymeradwyo'n derfynol gan y corff llywodraethol. Deallaf fod pob un yn cydymffurfio â'r arfer gorau o dan Nolan ac ati. Felly yr ateb yw 'ie'.

[88] Lorraine Barrett: Now a question to Mr Mason. I am asking you this as someone who has had experience of whistleblowing, which is not a very pleasant thing to go through. Can you assure us that the college now has a formalised whistleblowing policy? Are you satisfied that anyone finding himself or herself in that position will be afforded the right protection

[88] Lorraine Barrett: Cwestiwn yn awr i Mr Mason. Gofynnaf hyn ichi fel rhywun sydd wedi cael profiad o achos o ddatgelu cyfrinachau, a phrofiad annymunol iawn ydyw. A allwch ein sicrhau bod gan y coleg bellach bolisi datgelu cyfrinachau ffurfiol? A ydych yn fodlon na unrhyw un sydd yn y sefyllfa

against any discrimination? honno?

Mr Mason: The formal answer to the question is that ahead of 1 January 1999, when the Public Disclosure Act came into force, my corporation approved a whistleblowing procedure to be used by all staff—well, not to be used by all staff, to be available to all staff. We do not want them all using it! That came into force on 1 January. To comment on that, we are talking to the trade unions about it. It is very difficult, because the whistleblowing procedure is a fairly legalistic document. It is quite daunting for members of staff, if they want to raise something and

Mr Mason: Yr ateb ffurfiol yw'r cwestiwn yw bod fy nghorfforaeth, cyn 1 Ionawr 1999, pan ddaeth y Ddeddf Datgelu Cyhoeddus i rym, wedi cymeradwyo gweithdrefn datgelu cyfrinachau i'w defnyddio gan bob aelod o'r staff—wel, nid i'w defnyddio gan yr holl staff, i fod ar gael i'r holl staff. Nid ydym am i bob un ohonynt ei defnyddio! Daeth hynny i rym ar 1 Ionawr. I roi sylw ar hynny, yr ydym yn cynnal trafodaethau amdani â'r undebau llafur. Mae'n anodd iawn, oherwydd bod y weithdrefn datgelu cyfrinachau yn ddogfen eithaf cyfreithiol ei

then get this document. It is natur. Mae'n eithaf anodd i
 legalistic. Our lawyers have aelodau o'r staff, os ydynt
 had to look at it, and so on. am godi mater, a'u bod
 We are trying to produce a yna'n derbyn y ddogfen hon.
 staff-friendly guide to the Mae'n gyfreithiol ei natur.
 whistleblowers' procedure to Yr oedd yn rhaid i'n
 help them. So I can give you cyfreithwyr ei hystyried ac
 confidence that we have a ati. Yr ydym yn ceisio
 procedure. It has been widely cynhyrchu canllaw ar y
 made known to staff; they get weithdrefn datgelwyr
 it through the clerk to the cyfrinachau a fydd yn hawdd
 corporation. They do not i'r staff ei defnyddio i'w
 have to ask me for it. In helpu. Felly gallaf eich
 terms of discrimination, the sicrhau bod gennym
 only point that I would make weithdrefn. Rhoddwyd
 is that I think the cyhoeddusrwydd ymhlith y
 whistleblowing procedure is staff i'r ffaith ei bod ar gael
 yet another check and gan glerc y gorfforaeth. Nid
 balance for me as the chief oes rhaid iddynt ofyn imi am
 executive of the corporation. gopi. Ynglyn â
 We would actually encourage chamwahaniaethu, yr unig
 staff, if they have something, bwynt y byddwn yn ei wneud
 to use it. In fact we have a yw y credaf fod y weithdrefn
 recent situation, which I will datgelu cyfrinachau yn fodd
 not go into because it gwirio arall imi fel prif

involves a disciplinary action, weithredwr y gorfforaeth. where it was as a result of Byddem yn annog aelodau something that was raised o'r staff i'w defnyddio, os with us—not actually using cyfyd pryder. Yn wir mae the whistleblowing gennym sefyllfa ddiweddar, procedure—but it was raised ni roddaf fanylion gan ei fod with us and that led to some yn ymwneud â chamau quite useful developments. disgyblu, lle codwyd mater o We want to send a message ganlyniad—nid drwy'r that we encourage staff, if weithdrefn datgelu they have concerns, to raise cyfrinachau ei hun—ond them, that there is an tynnwyd y mater hwn i'n informal procedure within sylw ac mae hynny wedi the procedure and that they arwain at ambell i can talk to whoever. At the ddatblygiad eithaf end of the day, if staff think defnyddiol. Hoffem roi'r that something is going neges ein bod yn annog y wrong, I would like to know. staff, os oes ganddynt bryderon, i'w codi, bod gweithdrefn anffurfiol o fewn y weithdrefn a'u bod yn gallu siarad â phwy bynnag y mynnont. Wedi'r cyfan, hoffwn wybod os yw'r staff o'r farn bod rhywbeth yn

mynd o'i le.

[89] Lorraine Barrett: Thank you, I am reassured by that. My last question is to Mr Shortridge. Looking at the governance and management development programme that has been introduced by the funding council for all institutions in Wales, how are you going to assess the effectiveness of that programme? Also, given the serious failings in governance and management seen at Gwent Tertiary College in particular, what steps are the National Assembly taking to improve the way that universities and colleges are governed and managed?

[89] Lorraine Barrett: Diolch yn fawr, yr ydych wedi fy sicrhau. Mae fy nghwestiwn i Mr Shortridge. O ystyried y rhaglen datblygu llywodraethu a rheoli a gyflwynwyd gan y cyngor cyllido ar gyfer pob sefydliad yng Nghymru, sut yr ydych yn bwriadu asesu effeithiolrwydd y rhaglen honno? Hefyd, o gofio'r diffygion difrifol o ran llywodraethu a rheoli a gafwyd yng Ngholeg Trydyddol Gwent, yn enwedig, pa gamau y mae'r Cynulliad Cenedlaethol yn eu cymryd i wella'r modd y caiff prifysgolion a cholegau eu llywodraethu a'u rheoli?

Mr Shortridge: I think that the way that we will assess the GMDP is mainly through the annual assurance statement that we have asked the funding council to provide to us. I understand that the first such statement will be with us later this month. We should see this as a process, and we need to have the opportunity to have a partnership with the funding council and to talk through with it what has emerged from what is, I think, really a very impressive new process that has been put in place, to see, in the light of that, what further improvements are needed. I see this as about having an engaged relationship with everyone concerned, rather than

Mr Shortridge: Credaf mai'r brif ffordd y byddwn yn asesu'r rhaglen datblygu llywodraethu a rheoli yw drwy gyfrwng y datganiad sicrwydd blynyddol yr ydym wedi gofyn i'r cyngor cyllido ei roi inni. Deallaf y bydd datganiad cyntaf o'r fath yn dod i law yn ddiweddarach yn y mis hwn. Dylem ystyried hon fel proses, ac mae angen inni gael y cyfle i lunio partneriaeth gyda'r cyngor cyllido a thrafod ag ef yr hyn sydd wedi dod i'r golwg o ran yr hyn a gredaf sydd yn broses newydd effeithiol dros ben a roddwyd ar waith, i ganfod, o ganlyniad i hynny, pa welliannau pellach sydd eu hangen. Meithrin perthynas lle yr ydym yn cysylltu â phawb sydd ynghlwm yw'r nod, yn fy

having a tick-box approach nhyb i, yn hytrach na
of ‘we have done that and we mabwysiadu ymagwedd y
can forget about it’. Sorry, I blwch tic sef ‘yr ydym wedi
have forgotten the second gwneud hynny a gallwn
half of your question. anghofio amdani.’ Mae’n
ddrwg gennyf, yr wyf wedi
anghofio ail ran eich
cwestiwn.

[90] Lorraine Barrett: What [90] Lorraine Barrett: Pa
steps is the Assembly taking gamau y mae’r Cynulliad yn
to improve the way that eu cymryd i wella’r ffordd y
universities and colleges are caiff prifysgolion a cholegau
governed and managed? eu llywodraethu a’u rheoli?

Mr Shortridge: I cannot Mr Shortridge: Ni allaf gynnig
comment definitively on sylwadau awdurdodol ynglyn
universities, but I think that, â phrifysgolion, ond credaf, o
in terms of colleges, we do safbwynt y colegau, ein bod
look to rely very much on the yn dibynnu’n fawr iawn ar y
funding council, now that we cyngor cyllido, gan ein bod
have formally delegated the bellach wedi dirprywo’r
monitoring of governance gwaith o fonitro’r trefniadau

arrangements to them, to llywodraethu yn ffurfiol
take that forward. As I say, it iddynt, i ymgymryd â hynny.
is through a dialogue, and Fel y dywedais, drwy
seeking to satisfy ourselves ddeialog a cheisio bodloni ein
that the framework is right hunain bod y fframwaith yn
and that the way in which the un cywir a bod pobl yn
framework is being applied defnyddio ac yn deall y
and understood is right. If it fframwaith yn gywir. Pe bai
were necessary to make angen gwneud newidiadau
further changes to pellach yn yr offerynnau a'r
instruments and articles of erthyglau llywodraethu,
governance, I would be keen byddwn yn awyddus bod y
to see those made. rheini'n cael eu gwneud.

There is a wider issue that Codwyd mater ehangach yn
has come up during the ystod y drafodaeth heddiw,
discussion today, which is sef ai'r model yr ydym yn ei
whether the model that we ddefnyddio o dan Ddeddf
are applying through the 1992 yw'r un cywir. Ein
1992 Act is the right one. Our gwaith fel swyddogion yw
job as officials is to make the sicrhau ein bod yn
model that we have work to gweithredu'r model sydd
the best of our ability. If gennym hyd eithaf ein gallu.
there are wider concerns Os oes pryderon ehangach
about the approach, that is a ynglyn â'r ymagwedd, y

matter for the Post-16 Pwyllgor Addysg a Education and Training Hyfforddiant Ôl-16 ddylai ei Committee to consider in the ystyried yn y lle cyntaf. first instance.

[91] Janet Davies: Jane wants [91] Janet Davies: Mae Jane to pursue that and enlarge on am ddilyn y pwynt hwnw ac that point. ymhelaethu arno.

[92] Jane Davidson: I [92] Jane Davidson: Tybed a wondered if I might pursue gaf holi Syr John ynglyn â this with Sir John and have a hyn a chael sylwadau gan y comment from the National Swyddfa Archwilio Audit Office on that view, Genedlaethol ar y farn because it seems to me that honno, oherwydd ymddengys we have a systematic i mi bod gennym broblem problem in Wales—or rather systematig yng Nghymru—in the UK—as a result of that neu yn y DU yn hytrach—yn Act. Neither this Committee sgîl y Ddeddf honno. Nid nor the Assembly would yw'r Pwyllgor hwn na'r want to see a Cynulliad am roi cyfran disproportionate amount of anghymesur o amser i un time and eternal vigilance sector yn unig a'i being devoted to one sector oruchwylio'n ddi-baid tra

when we have so many bod gennym gymaint o
sectors in Wales that we want sectorau yng Nghymru yr
to ensure are given adequate ydym am sicrhau eu bod yn
support. Could we have a cael cymorth digonol. A
comment from Sir John on wnaiff Syr John gynnig sylw
that in this public session? ar hynny yn y sesiwn
gyhoeddus hon?

Sir John Bourn: I am glad to Syr John Bourn: Mae'n dda
respond to that, Chair. I gennyf ymateb i hynny,
agree very much with the Gadeirydd. Cytunaf yn fawr
point that Mr Shortridge iawn â'r pwynt a wnaeth Mr
made during the course of Shortridge yn ystod y
the discussion. The model drafodaeth hon. Diben y
that was introduced for the model a gyflwynwyd ar gyfer
management of further rheoli addysg bellach—nid
education—not just in Wales yn unig yng Nghymru ond
but throughout the country ledled y wlad i gyd—oedd
as a whole—was designed to rhoi mwy o bwerau ac
give much greater power and awdurdod i gyrff
authority to the governing llywodraethol y sefydliadau
bodies of these institutions. I hyn. Credaf mai un o'r
think that among the motives rhesymau dros hyn oedd y
for that was the idea that syniad y byddai rhyddid yn

freedom would lead to esgor ar egni a energy and enterprise. mentergarwch. Fodd bynnag, However, I think that credaf fod profiad wedi experience has shown that it dangos ei fod yn rhyddid nad was a freedom not backed by oedd wedi ei seilio ar brofiad proper experience, proper priodol, systemau priodol a systems and proper gweithdrefnau priodol. Felly procedures. So the result has mae'r canlyniad wedi bod yn been disappointing in many un siomedig iawn mewn sawl ways, as so much of our work ffordd, fel y mae cymaint o'n has shown, right throughout gwaith wedi dangos, ledled y the country. wlad.

So to the extent for which it Felly, i'r graddau y mae'n is for me to say, I do not briodol imi ddweud, ni think that it is a good model chredaf fod hwn yn fodel da for running further dros redeg sefydliadau education institutions. You addysg bellach. Gofynasoch asked me for a view. That is am fy marn. Dyna yw fy my view, based on the marn, yn seiliedig ar yr examination of a large archwiliadau o nifer fawr number of them and the fact ohonynt a'r ffaith bod that we have had so many gennym gymaint o achosion instances of these difficulties. o'r anawsterau hyn. Mae'n

It is quite interesting. When eithaf diddorol. Sut y did we get on to Gwent? It cawsom wybod am Goleg actually came from Members Gwent? Aelodau o Dy'r of Parliament who came to Cyffredin a dynnodd y me with these difficulties. materion hyn i'm sylw mewn They had been activated by gwirionedd. Cawsant eu their personal knowledge and symbylu gan eu gwybodaeth by, as it were, embryonic bersonol a thrwy ddarpar-whistleblowers who had not ddatgelwyr cyfrinachau, fel been certain where to go. petai, nad oeddent yn They went to their elected gwybod ble i fynd. Aethant at Members, quite rightly, and eu Haelodau etholedig, a they then came to us. I was hynny'n hollol gyfiawn, ac glad that they did, because wedyn daethant atom ni. Yr we were able to respond. oeddwn yn falch iddynt wneud, oherwydd yr oeddem yn gallu ymateb.

[93] Janet Davies: Thank you, [93] Janet Davies: Diolch yn Sir John. I think that when fawr, Syr John. Hoffwn we eventually formally lay gynnwys nodyn, fe gredaf, our report before the pan fyddwn yn cyflwyno ein Assembly, I would like to see hadroddiad terfynol ger bron a note that the attention of y Cynulliad yn ffurfiol, y

the Post-16 Education and Training Committee is drawn to our findings. I think that it is important that it looks at some of the issues that have come up this morning.

I thank all the witnesses. You have given very full and helpful answers and I hope that the report that will come out of this will be helpful to you. You will receive a transcript of this session so that you can check its factual accuracy before it is published. When the Committee publishes its report that transcript will be included in an annex.

Diolchaf i'r holl dystion. Yr ydych wedi rhoi atebion llawn a defnyddiol iawn a gobeithiaf y bydd yr adroddiad a gyflwynir yn sgîl hyn yn ddefnyddiol ichi. Byddwch yn derbyn trawsgrifiad o'r sesiwn hwn fel y gallwch wirio ei gywirdeb ffeithiol cyn iddo gael ei gyhoeddi. Pan fydd y Pwyllgor yn cyhoeddi ei adroddiad caiff y trawsgrifiad ei gynnwys fel atodiad.

Daeth y sesiwn cymryd tystiolaeth i ben am 11.51 a.m.

The evidence-taking session ended at 11.51 a.m.

Annex B

This Annex is only available in Hard copy. Please refer to the Report in Hard copy.

Annex C

This Annex is available in Hardcopy only. Please refer to the hard copy of the report.

Annex D

THE AUDIT COMMITTEE

The National Assembly's Audit Committee ensures that proper and thorough scrutiny is given to the Assembly's expenditure. In broad terms, its role is to examine the reports on the accounts of the Assembly and other public bodies prepared by the Auditor General for Wales; and to consider reports by the Auditor General for Wales on examinations into the economy, efficiency and effectiveness with which the Assembly has used its resources in discharging its functions. The responsibilities of the Audit Committee are set out in detail in Standing Order 12.

The membership of the Committee as appointed on 9 November 2000 is:

Janet Davies (Plaid Cymru) - Chair
Alan Cairns (Conservative)
Jocelyn Davies (Plaid Cymru)
Alison Halford (Labour)
Ann Jones (Labour)
Peter Law (Labour)
Lynne Neagle (Labour)
Dafydd Wigley (Plaid Cymru)
Kirsty Williams (Liberal Democrat)

Further information about the Committee can be obtained from:

Julie Bragg
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CF99 1NA
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